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# ***Daily Report***

## **East Asia**

FBIS-EAS-93-183  
Thursday  
23 September 1993

# Daily Report

## East Asia

FBIS-EAS-93-183

### CONTENTS

23 September 1993

**NOTICE TO READERS:** An \* indicates material not disseminated in electronic form.

#### NORTHEAST ASIA

##### Japan

'Expectations Remain High' for Tokyo's Potential [KYODO]	1
Tokyo 'Sources' on Nov Security Talks With U.S. [KYODO]	2
U.S. Welcomes Stimulus Package, Urges More [KYODO]	2
U.S. Proposal on New Telecoms Accord Viewed [KYODO]	2
U.S. Airline's Detroit-Sydney Request Approved [KYODO]	3
Call for Auto, Timber Import Increase Viewed [KYODO]	3
Foreign Share of Chip Market Rises in 2d Quarter [KYODO]	3
Contradictory Report Noted [KYODO]	4
U.S. Major-General on Servicemen Fleeing Okinawa [Naha TV]	4
Tokyo 'Ready To Contribute' to Palestine Fund [KYODO]	5
Hosokawa: Soviet Troop Pullout Good for Lithuania [KYODO]	5
Man Sentenced for Smuggling Chinese Aliens [KYODO]	6
Keidanren Chief, Delegation Depart for PRC [KYODO]	6
Kansai Electric Buys Uranium Ore From PRC [KYODO]	6
Emperor, Empress Return From European Visit [KYODO]	6
MITI Approves Cambodian Stalled Timber Imports [KYODO]	6
Foreign Ministry on Loan Package to Thailand [KYODO]	7
North, South Korean Groups Reopen Dialogue [KYODO]	7
Tokyo Refuses UN Request for Medical Team [KYODO]	7
UN Envoy Discusses Possibility of UNSC Seat [KYODO]	7
German Embassy Announces UNSC Seat Intention [KYODO]	8
Police Chief Says Red Army Based in Beirut [KYODO]	8
Hosokawa Meets Guatemalan Human Rights Activist [KYODO]	9
Six LDP Diet Members Quit Party Factions [KYODO]	9
JNP, DRP Form Group in House of Councillors [KYODO]	9
Hosokawa Cabinet Okays Political Reform Bills [KYODO]	10
Diet Opens 90-Day Extraordinary Session [KYODO]	10
Wataru Kubo 'Almost Certain' of SDP Post [KYODO]	11
Rengo President Faces Criticism From Unions [KYODO]	11
Court Rejects Nomura Compensation Payments Suit [KYODO]	12
Shimizu Corporation Head Admits to Bribery [KYODO]	12
Fall in FY93 Planned Capital Spending Reported [KYODO]	13
Officials Voice Opinions on Income Tax Cuts	13
Kansai Business Leaders Urge Cuts [KYODO]	13
Kato on 'Possibility' of Tax Cuts [KYODO]	13
Commission Urges 'Practical' Plan [KYODO]	14
Business Leader Inaba Comments [KYODO]	14
Miyoshi Urges Cuts in Advance [KYODO]	14
ODA Budget Request Hits 1.09 Trillion Yen [KYODO]	15
Agency Urges Lower Petroleum Products Prices [KYODO]	15
Utilities Apply for Approval To Lower Charges [KYODO]	15
Insurers Praise New Economic Stimulus Package [KYODO]	15
Reaction to Official Discount Rate Reduction	15
Takemura Says Rate Cut 'Timely' [KYODO]	15
Business Leaders Welcome Cut [KYODO]	16
Ministry Eases Curbs on Aircraft Maintenance [KYODO]	16
Jul National Industrial Output Revised Upward [KYODO]	16
Ministry To Implement Public Servant Pay Raise [KYODO]	17



Order Issued To Meet Rice Seed Shortage [KYODO]	17
Ministry Reports Poor Growth of Rice Nationwide [KYODO]	17
Tokyo Plans Aid to Rice Farmers With Poor Crops [KYODO]	17
Eases Penalties for Rice Growers [KYODO]	17
Rice Sales at Market Prices 'Emergency Measure' [KYODO]	18

## North Korea

O Chin-u Meets Bulgarian, Yugoslav Ambassadors [KCNA]	18
Delegate Addresses Interparliamentary Conference [KCNA]	18
Meeting Commemorates Malian Anniversary [KCNA]	19
Sudanese Union Group From Mali Arrives 21 Sep [KCNA]	19
WPK Fetes Group [KCNA]	19
WPK, Group Hold Talks [KCNA]	19
Group Has Gift for Kim Il-song [KCNA]	19
Gift for Kim Chong-il [KCNA]	20
International Organization Awards Inventors [KCNA]	20
Pyongyang Holds Invention, Technology Exhibition [KCNA]	20
Report on U.S., South Exercises on 21 Sep [KCNA]	20
KCNA Reacts to Kim Yong-sam Assembly Speech	21
Materials Supply Functionaries Meeting Opens [Pyongyang Radio]	21
Further on Meeting [KCNA]	24
Daily: People Trust Chong-il as 'Great Father' [KCNA]	25
Report on 'Increased Production of Electricity' [KCNA]	26
Local Industrial Output Value 'Up 11 Percent' [KCNA]	26
KCNA Reports on 'Rich Crops' in Province	26
KCNA Reports on Corn Harvest in Province	27

## South Korea

IAEA Considers North 'Urgent Agenda Item' [CHUNGANG ILBO 23 Sep]	27
North 'Agrees' to Negotiations With IAEA [Seoul Radio]	27
North Defector Arrives Via Third Country [YONHAP]	27
Government Pledges Support for Boris Yeltsin [YONHAP]	28
Defense Ministry To Purchase F-16's as Scheduled [CHUNGANG ILBO 23 Sep]	28
UN Official From Geneva Arrives for Lecture [YONHAP]	28
State To Provide Professionals for UN Projects [THE KOREA HERALD 22 Sep]	28
ROK Becomes Member of OECD Steel Committee [YONHAP]	29
Deng Xiaoping's Daughter Tours Chemical Plant [YONHAP]	29
Marketing Team Returns From South America [SEOUL SINMUN 16 Sep]	29
Government Hints at 'Softening' Financial Reform [THE KOREA HERALD 22 Sep]	30
Kim Yong-sam Not To Replace Decree With Law [YONHAP]	31
Kim Yong-sam Hosts Dinner for DLP Officials [YONHAP]	31
Officials Focus on Economy [THE KOREA HERALD 23 Sep]	32
Kim Yong-sam Receives Ssangyong Group Chairman [YONHAP]	33
Kim Yong-sam Names Yun Kwan Chief Justice [YONHAP]	33
YONHAP Reports on 1994 Budget Set by Cabinet	33
Government Reshuffles 35 Senior Police Officials [YONHAP]	34
Armed Forces To Promote Fewer Officers [CHUNGANG ILBO 18 Sep]	34

## SOUTHEAST ASIA

### Malaysia

UK Prime Minister Major Makes Official Visit	35
Attacked for Bosnia Policy [AFP]	35
Major Reassures Mahathir on GATT [BERNAMA]	35
Major Pledges Development Aid [BERNAMA]	36
Visit Called 'Extremely Fruitful' [Kuala Lumpur Radio]	36
Minister Expresses Concern Over Crisis in Russia [BERNAMA]	37

### Cambodia

Sihanouk Asks for No Pay; To Return to China	[Phnom Penh Radio]	37
Constitution Passed; Copremiers To Attend UN	[AKP]	37
Ministry Denies Seeking Thai Help To Attack KR	[AFP]	38
Khmer Rouge Radio Says Fighting Continuing	[Radio VGNUFC]	38

### Indonesia

Remarks by Swedish MP's on East Timor Deplored	[Jakarta Radio]	40
Minister Rules Out Quick Recognition of Israel	[Jakarta Radio]	40
Official on Army Role in Labor Disputes	[Jakarta Radio]	40
Government Releases 3 Political Detainees 31 Aug	[TEMPO 4 Sep]	41
UNHCR To Repatriate Vietnamese Refugees	[Jakarta Radio]	41

### Vietnam

Russian Embassy Issues Statement on MIA Document	[Hanoi Radio]	41
Army Paper Comments on Document	[VNA]	41
Media Comment on Visit by Indian Vice President		41
Newspapers Preview Visit	[VNA]	41
Radio Discusses Relations, Trade	[Hanoi International]	42
Indian Vice President Arrives in Hanoi 22 Sep	[VNA]	42
Talks With Nyugen Thi Binh	[Delhi Radio]	42
'Dynamic' 48th UN Conference Outlined	[Hanoi International]	43
'New Page' in Relations With Japan Viewed	[Hanoi International]	43
Joint Economic Commission With ROK Meets	[VNA]	43
Hanoi Rejects Vatican Appointee Huynh Van Nghi	[Hanoi Radio]	44



## Japan

### 'Expectations Remain High' for Tokyo's Potential

OW2209002393 Tokyo KYODO in English 2318 GMT  
21 Sep 93

[By Kohei Murayama]

[Text] Tokyo, Sept. 22 KYODO—Japan's Finance Minister Hirohisa Fujii and Bank of Japan Governor Yasushi Mieno are loaded down with "omiyage," or gifts, for their counterparts from six other economic powers when they meet in Washington on Saturday [25 September]. But while the gifts may be appreciated, Japan could find requests for the same omiyage again and for more next time.

Showing their efforts to tackle the mounting trade surplus ahead of the expected Group of Seven (G-7) meeting, the Japanese Government unveiled an economic stimulus package worth 6.2 trillion yen. And the Bank of Japan cut the official discount rate by three-quarters of a percentage point to an all-time low of an annual 1.75 percent.

The fresh package included easing of 94 regulations and passing on to consumers benefits from the yen's sharp rise.

High-ranking U.S. Government officials, however, called the stimulus package "insufficient," and Secretary of the Treasury Lloyd Bentsen called for further measures led by an income tax cut. The Japanese Government has said, however, it will wait for a study, to be submitted in November, by the tax commission before it implements a "thorough" tax system reform.

Brushing aside any foreign pressure behind the decision for a rate cut, Mieno told reporters the central bank made a "broad judgment" from the current state of the economy and as a "policy mix" to back up new fiscal measures.

An international monetary source close to arranging the G-7 meeting said Japan deserves high credit for taking such monetary and fiscal measures in the short period of only a month after the coalition government of Prime Minister Morihiro Hosokawa came to power.

This is "impressive" and complies with the joint statement adopted at the G-7 summit in Tokyo in July that calls on Japan to take additional fiscal and monetary measures if necessary, he said. He said, however, "expectations remain high" among trading partners on Japan's fiscal potential.

Many private economists agree, adding that explaining the effectiveness of the latest actions will not easily win over support from trading partners.

Atsushi Miyawaki, senior economist at the Japan Research Institute, said the 0.75-point cut is expected to lift real economic growth in fiscal 1993 by a scant 0.1

percentage point, and the latest pump-priming measure will give a boost of only 0.1 to 0.2 point.

This compares with an estimate of 1.3 point revealed by Manae Kubota, director general of the economic planning agency, which compiled the fresh package.

"No way will the economy attain the government's target" of 3.3 percent growth in Japan's real gross national product (GNP), Miyawaki said.

Kubota said her estimate was based only on the fresh spending of 6.2 trillion yen, and the economic-boosting effect would be much greater with the deregulations and return of exchange benefits. But even Kubota said, "it's tough" to attain the target with the yen's sharp rise battering already-stagnant capital investment and sluggish personal consumption.

The agency said an average 2.30 percent growth is necessary to attain the target in the coming quarters, after the real GNP shrank 0.5 percent in the April-June quarter from the previous three months, or an annualized contraction of 2.0 percent.

Miyawaki said the new government should make clear that the latest actions are a "first step" to present a clearer picture for further easing of regulations and red tape to boost imports by rectifying price gaps at home and abroad.

According to his institute's latest report, Japan's import price flexibility stands at 0.18, compared to 0.65 in the U.S., meaning that currency exchange fluctuations are reflected in import prices four times more in the U.S. than in Japan.

If the ratio of imports to domestic demand increases to levels comparable to Germany through deregulation and market liberalization, Japan's current account surplus will decline to below 2.0 percent of the nation's nominal gross domestic product as demanded by the U.S., the report said.

Otherwise, Miyawaki said, Japan will be pressured for further fiscal and monetary measures which, according to his institute's report, are unlikely to help reduce the trade surplus unless additional spending of tens of trillions of yen is made. On such additional omiyage, Fujii did not rule out the possibility of another package, saying, "I just hope not."

Meanwhile, Mieno said, "the rate cut is the maximum monetary measure for the time being." But he noted the central bank will continue guiding market rates lower, but must act "swiftly and flexibly" to prevent a recurrence of asset inflation that characterized the so-called "bubble economy" in the late 1980s.



### **Tokyo 'Sources' on Nov Security Talks With U.S.**

*OW1609081893 Tokyo KYODO in English 0804 GMT  
16 Sep 93*

[Text] Tokyo, Sept. 16 KYODO—Japan and the United States have begun preparations for a cabinet-level meeting on security in November, government sources said Thursday. The "two plus two" talks, to be attended by the Japanese foreign minister, the director general of the Defense Agency, the U.S. secretary of state and the secretary of defense, may be held in Washington or Tokyo, the sources said.

Since Foreign Minister Tsutomu Hata will be in the U.S. in mid-November to attend the Asia-Pacific Economic Cooperation (APEC) forum in Seattle, the meeting probably will be held in Washington, they said. But the meeting could be held in Tokyo on November 3 and 4 because U.S. Defense Secretary Les Aspin is scheduled to visit South Korea around that time for U.S.-South Korea security talks, they said.

Tokyo and Washington agreed in 1990 to hold cabinet-level security talks by foreign and defense ministers of both countries to strengthen dialogue on political and security matters. But their tight schedules have prevented them from holding the talks.

In July, then Foreign Minister Kabun Muto and U.S. Secretary of State Warren Christopher agreed to hold the talks soon and approve of a proxy attending if one of the ministers cannot attend.

In the planned security meeting, the participants are expected to discuss Japan's shouldering of costs for U.S. bases in Japan, military situations in the Far East and North Korea's development of Rodong 1 missile, they said.

They are also likely to discuss Washington's Theater Missile Defense (TMD) program, they said.

### **U.S. Welcomes Stimulus Package, Urges More**

*OW1609235793 Tokyo KYODO in English 2310 GMT  
16 Sep 93*

[Text] Washington, Sept. 16 KYODO—The United States welcomed the new 6.2 trillion yen fiscal stimulus package Tokyo announced Thursday [16 September] but indicated that Japan must do more to spur the lifeless Japanese economy and cut its massive trade surplus. "I think it's a good first step...And we hope to see more," White House Press Secretary Dee Dee Myers told reporters Thursday.

Tokyo's announcement of the fresh attempt by the Japanese Government to breathe life into the ailing Japanese economy came as new U.S. data showed the U.S. trade deficit with Japan and Europe has widened once again despite a contraction in the overall U.S. trade deficit.

U.S. officials blame the current recession in Japan and Europe for holding back U.S. exports and have repeatedly demanded both take bold action to stimulate economic growth.

Asked to comment on the Japanese fiscal measure during her daily news briefing, Myers noted that the Japanese economy performed weakly in the second quarter this year and said Tokyo should boost the economy by stimulating consumer spending.

Myers did not say what further steps Washington wants from Tokyo, but a statement released by Treasury Secretary Lloyd Bentsen indicated that the U.S. is looking for tax cuts and further easing of Japanese monetary policy. Bentsen said he is "encouraged" that the new Japanese Government moved quickly to tackle the economy but added that fiscal stimulus should be "combined with appropriate monetary policy actions, tax reform and the fiscal 1994 budget."

Such a policy mix, he said, should help "get Japan's economy moving and bring down the trade surplus."

According to figures released by the Commerce Department Thursday, the U.S. merchandise trade deficit with Japan rose 9.3 percent to 4.74 billion dollars in July from 4.33 billion dollars in June. The U.S. trade gap with the European Community also soared by 25.9 percent to 1.78 billion dollars, at a time when the U.S. overall trade deficit narrowed by 14.2 percent to 10.34 billion dollars.

Commerce Secretary Ron Brown, reacting to the trade figures, said the increase in the U.S. trade deficits with Japan and Europe "is a product of growth differentials" between the U.S. and its trading partners.

"This is why we are reviewing the new Japanese stimulus proposal with great interest and hope that other stimulus actions in both Japan and Europe will be forthcoming," Brown said.

### **U.S. Proposal on New Telecoms Accord Viewed**

*OW2109055893 Tokyo KYODO in English 0516 GMT  
21 Sep 93*

[Text] Kahuku, Hawaii, Sept. 20 KYODO—The United States suggested in bilateral trade talks Monday [20 September] that Japan and the U.S. draw up a new accord on Tokyo's procurement of telecommunication equipment, Japanese officials said.

The two countries are holding a four-day subcabinet-level meeting since Sunday to hammer out a broad-based new trade framework.

In the session on the procurement issue, U.S. negotiators said that there have not been sufficient purchases of American-made telecommunications equipment by the Japanese Government, according to the Japanese officials.



Pointing out that the U.S. telecommunication industry enjoys a share of some 25 percent in the European market, the U.S. negotiators noted that its share in the Japanese market is only 5 percent, and in the Japanese Government procurement sector a mere 1 percent. They attributed the low shares to the "closed" nature of Japanese market, the Japanese officials said.

The U.S. then suggested making a new agreement on telecommunication equipment purchases along the lines of one reached in 1981 on purchases of American equipment by Nippon Telegraph and Telephone Corp. (NTT). Washington considers the accord on NTT purchases successfully widened U.S. access to the Japanese market, the officials said.

Including the accord suggestion, the U.S. identified 10 telecommunications industry areas that it thinks Japan should change, the officials said.

The main criticisms were that conditions for bidding for Japanese Government contracts generally limit foreign participation and that the bidding processes are often unclear. "Objective criteria" are necessary for the telecommunications procurement issue, the U.S. side reportedly said.

Deputy U.S. Trade Representative Charlene Barshefsky, who heads the American team in the session, stressed the importance of correcting the trade imbalance between the two countries through the new trade framework, the Japanese officials said.

Vice Foreign Minister Koichiro Matsuura, who leads the Japanese negotiators, replied that Japan is making all possible efforts to reduce its current account surplus, the officials said. Japan's current account surplus accounted for 3.3 percent of the nation's Gross National Product (GNP) in fiscal 1992, which ended last March.

#### **U.S. Airline's Detroit-Sydney Request Approved**

*OW2209080093 Tokyo KYODO in English 0715 GMT 22 Sep 93*

[Text] Tokyo, Sept. 22 KYODO—The Transport Ministry on Wednesday [22 September] approved on a one-month provisional basis a request by Northwest Airlines to open a new route between Detroit and Sydney via Osaka, ministry officials said. The officials said the route will replace the company's existing service between New York and Sydney via Osaka.

The U.S. airline will operate the new route on a provisional basis from October 1 to October 30, the officials said.

The ministry had threatened to revoke the airline's permit to stop in Japan on its New York-Osaka-Sydney route after Northwest violated an agreement to keep the average percentage of passengers picked up for the Osaka-Sydney leg below 50 percent of the number on the entire route.

#### **Call for Auto, Timber Import Increase Viewed**

*OW2309102193 Tokyo KYODO in English 1009 GMT 23 Sep 93*

[Text] Kahuku, Hawaii, Sept. 22 KYODO—Japan and the United States ended four days of trade talks Wednesday [22 September] with Washington expressing strong hopes for Tokyo to increase imports of automobiles, automotive parts and timber, Japanese officials said. The officials said the U.S. refrained from openly proposing the establishment of "objective criteria" to gauge the openness of Japanese markets for imports to rectify the trade imbalance in Japan's favor.

The U.S. side demanded that Japan lower tariffs on timber imports, and both sides agreed to continue talks on the matter in Tokyo in mid-October, the officials said.

Discussions in the last two days focused on expansion of U.S. automobile and auto parts exports to Japan as automotive trade accounts for nearly 60 percent of the U.S. trade deficit with Japan, the officials said. Both sides agreed to carry on discussions on measures for Japan to expand purchases from U.S. auto parts makers and increase procurement of U.S.-made parts by Japanese automobile plants in the U.S., they said.

The next meeting on the issue will be held in Tokyo on October 20, the officials said. They said the U.S. made it clear that the automotive issue will be given top priority in comprehensive trade negotiations for a new framework to be completed next January.

Of timber trade, Japan told the U.S. that investigations are under way by the fair trade commission on the implementation of an action program agreed by the two countries last year, the officials said.

During the four-day session, the two countries also discussed ways to facilitate foreign access to Japan's insurance and construction markets and increase government procurement from foreign suppliers.

#### **Foreign Share of Chip Market Rises in 2d Quarter**

*OW2209061693 Tokyo KYODO in English 0548 GMT 22 Sep 93*

[Text] Tokyo, Sept. 22 KYODO—The foreign share of Japan's semiconductor market rose to 21.6 percent in the second quarter of 1993 from 21.5 percent in the first quarter, the Ministry of International Trade and Industry reported Wednesday [22 September]. But U.S. figures released the same day, which do not include chips produced in Japan by foreign firms, gave a market share of 19.2 percent for the second quarter, down from 19.6 percent in the first quarter.

The latest data looks set to throw Japan and the United States again into a dispute over the foreign share as U.S. Trade Representative Mickey Kantor expressed concern



about the U.S. figures showing foreign chip makers losing rather than expanding their share in Japan. "We are extremely concerned about this negative trend in market share," Kantor said in a statement distributed in Washington.

"This negative trend needs to be reversed immediately," Kantor said, adding that "it is important that the Japanese Government and industry take the necessary steps so we see substantial improvements in subsequent quarters."

Under a 1991 semiconductor trade pact, Tokyo and Washington agreed to a goal of 20 percent for foreign market share by the end of last year. U.S. officials have said the 20 percent figure is a commitment by Japan, but Japanese officials say it is only a target.

In his statement, Kantor reiterated his view that in light of provisions in the agreement calling for "steady and gradual" improvement in market access, it is reasonable to expect that foreign market share will average 20 percent over the four quarters of 1993 at a minimum.

But Hidehiko Yoshida, chairman of the Electronic Industries Association of Japan's Users' Committee of Foreign Semiconductors (UCOM), hailed the latest figures. "I'm pleased to see that the foreign market share figures have remained in roughly the same high range for three consecutive quarters," Yoshida said in a statement.

"This stability, which has been achieved despite such adverse factors as the rapid rise in the value of the yen against the U.S. dollar, is compelling evidence that access to the Japanese semiconductor market has improved," he said.

The UCOM groups Japanese semiconductor users.

#### **Contradictory Report Noted**

*OW2209011993 Tokyo KYODO in English 0022 GMT 22 Sep 93*

[Text] Washington, Sept. 21 KYODO—The foreign share of Japan's semiconductor market declined to 19.2 percent in the second quarter of this year from 19.6 percent in the preceding quarter, informed sources said Tuesday [21 September]. The share falls short of the 20 percent target U.S. officials have said Japan should set aside for foreign-made microchip products in the Japanese market this year.

The sale of foreign-made semiconductors in Japan cleared the 20 percent market-share target for the first time last year, when microchip imports hit 20.2 percent of the Japanese market in the final three months of last year.

The market-share benchmark was set in a bilateral semiconductor trade agreement the United States concluded with Japan in 1986 and renewed in 1991.

U.S. Trade Representative Mickey Kantor has said the U.S. expects the market share for foreign-made microchips in Japan to increase gradually and average 20 percent for this year.

The Japanese Government was committed under the 1991 trade pact to help boost the sale of foreign-made chips to 20 percent of the Japanese market by the end of 1992. The accord contains no provisions about market-share arrangements beyond 1992.

#### **U.S. Major-General on Servicemen Fleeing Okinawa**

*OW2109143793 Naha NHK Television in Japanese 0935 GMT 21 Sep 93*

[Announcer-read report, incorporating recorded passages from interview with Major-General Gardner, coordinator of U.S. forces in Okinawa, by unidentified reporters, place and date not given—from the "NHK Local News" program]

[Text] Since last year, one American serviceman after another accused of committing crimes on Okinawa has escaped to the United States. In an interview with NHK today, Major-General D. R. Gardner, the coordinator of U.S. forces on Okinawa, made it clear that U.S. forces on Okinawa are currently investigating the possibility that American military personnel on the bases may have helped them escape to the United States.

Two American sailors assigned to the U.S. naval base of Camp Shields in Okinawa City, and accused of committing robberies last February, fled to the United States aboard civilian airliners following the failure of U.S. forces to take them into custody.

Later, they were arrested in the United States. An American infantryman, who was under arrest at Torii Station on a charge of raping a Japanese woman, also fled to the United States aboard a civilian airliner in July this year.

In his interview with NHK, Major-General Gardner said: As for the two sailors, there is the possibility that some military personnel in the naval base helped them escape to the United States and U.S. forces on Okinawa are now investigating this.

[Begin Gardner recording in English in progress] ...Admiral (Hernandez), and he reassured me that as the naval forces' component for Japan, and that he would continue the investigation into how the two sailors escaped to see if he could find who assisted them and what punishment might be appropriate. But that investigation continues. [end recording]

The general indicated that lax surveillance was the cause of the escapes and that there was no need to review the Japan-U.S. Status of Forces Agreement [SOFA] that



allows the American side to keep U.S. military personnel accused of committing crimes in Japan under arrest until they are indicted.

[Begin Gardner recording in English, in progress] ...the SOFA arrangements in Korea and Germany are very similar, and the SOFA is very well written, and this is not a problem, that is, the fault of SOFA, but rather because again individuals must uphold the SOFA to [pauses] not only to the spirit but to the letter of the SOFA [end recording].

As for other U.S. military personnel at large, Major-General Gardner said: The FBI and the U.S. military are tracking them down and U.S. authorities are doing all they can to arrest them and bring them back to Japan.

The general's comments indicated that U.S. authorities are taking a serious view of the incidents.

### **Tokyo 'Ready To Contribute' to Palestine Fund**

*OW2109144893 Tokyo KYODO in English 1403 GMT  
21 Sep 93*

[Text] Tokyo, Sept. 21 KYODO—Japan is ready to contribute some 100 million dollars over the coming 12 months to a fund being set up by the World Bank to assist Palestinians following the recent historic peace accord, government officials said Tuesday [21 September]. Prime Minister Morihiro Hosokawa will announce the offer in talks with U.S. President Bill Clinton in New York on September 27, the officials said.

So far the U.S. has pledged 250 million dollars for the fund over a two-year period, while the 12-nation European Community (EC) has said it will provide 590 million dollars over five years.

"We want to give assistance side by side with Europe and the U.S.," a top Foreign Ministry official explained. The ministry reportedly is considering earmarking the amount in a supplementary budget.

The World Bank has proposed a 3 billion dollar fund for a Palestinian recovery program over 10 years in response to the accord signed in Washington between Israel and the Palestine Liberation Organization (PLO) that grants Palestinians limited self-rule in the West Bank town of Jericho and the Gaza Strip.

The ministry considers it necessary to grant "appropriate assistance" speedily after having been criticized during the Persian Gulf war for being slow in paying its share for the U.S.-led push against Iraq, officials said.

The ministry also takes into account that the international community expects a great deal of assistance from Japan as an economic power and that the Middle East, as a major oil exporting region, is of utmost importance for Japan, according to the officials.

Earlier in the day, Foreign Ministry spokesman Terusuke Terada said the ministry is also studying whether

Foreign Minister Tsutomu Hata can attend a U.S.-proposed conference on aid to Palestinians early next month, a ministry spokesman said.

Terada told a press conference that Hata's attendance at the conference expected to start October 1 depends on Diet schedules. He said the ministry is considering sending a "high-level" official to the conference if Hata cannot participate.

On Sunday night, U.S. Secretary of State Warren Christopher telephoned Hata to suggest holding the meeting during the UN General Assembly in New York. Christopher said he would like foreign and finance ministers of members of a committee on Middle East economic assistance to attend.

The committee comprises 11 nations and organizations, including the United States, Japan, the EC, Canada and Middle East countries.

Hata told Christopher he would like to attend but may send a proxy as the Diet will be sitting.

Hata attended the signing ceremony in Washington last week of the Israeli-PLO peace accord. After the agreement, Clinton proposed the donor nation meeting to facilitate the peace process in the Middle East.

### **Hosokawa: Soviet Troop Pullout Good for Lithuania**

*OW2109120393 Tokyo KYODO in English 1131 GMT  
21 Sep 93*

[Text] Tokyo, Sept. 21 KYODO—Prime Minister Morihiro Hosokawa said Tuesday [21 September] Lithuania can develop into a new country now that all the troops of the former Soviet Union have withdrawn from the Baltic nation. The premier made the comment when meeting at his official residence for about 20 minutes with Lithuanian Prime Minister Adolfas Slezevicius.

The Lithuanian premier responded that his country became free in the true meaning of the word after the former Soviet troops completed the withdrawal from Lithuania in August, a Foreign Ministry official said in a briefing.

Shortly after his arrival in Japan on Saturday, Slezevicius visited the town of Yaotsu in Gifu Prefecture, central Japan, the site of a new memorial cenotaph in honor of a World War II Japanese diplomat in Lithuania. The now-deceased envoy, Chiune Sugihara, saved the lives of some 6,000 Jewish refugees fleeing Nazi persecution in Poland during World War II.

Slezevicius' journey to Japan is the first by a top leader of the Lithuanian Government under President Algirdas Brazauskas, who took office earlier this year.

The Lithuanian premier came to Japan at the invitation of a foundation dedicated to the memory of Sugihara. During his stay, he also met former Prime Minister



Noboru Takeshita, Ichiro Ozawa, co-founder of Shinseito (Japan Renewal Party), a core party of Hosokawa's ruling coalition, and Keizo Obuchi, a former chief cabinet secretary who currently heads a faction within the opposition Liberal Democratic Party.

On Wednesday, Slezevicius will fly to South Korea, where he will be making an official visit and attending "Baltic Day" at an exposition in Taegu on Thursday.

### **Man Sentenced for Smuggling Chinese Aliens**

*OW1609054493 Tokyo KYODO in English 0430 GMT 16 Sep 93*

[Text] Kushiro, Hokkaido, Sept. 16 KYODO—A court sentenced a Japanese man to two years in jail Thursday [16 September] for his involvement in smuggling about 100 illegal Chinese immigrants into Hokkaido in June.

The Kushiro District court said the unemployed Hiroshi Abe, 54, of Kushiro was involved in organized crime of international proportions.

Judge Yasuyuki Tsuchiya said Abe got involved even though he was aware of the April 24 indictment of five other Japanese gang members on charges of smuggling 145 Chinese and Vietnamese into Japan off Kagoshima Prefecture earlier that month. It is the first court ruling concerning a member of the group behind the attempt to smuggle some 100 Chinese nationals aboard the Hosho Maru No. 28 into Akkeshi, a fishing port about 40 kilometers east of Kushiro in eastern Hokkaido, on the night of June 11.

Tsuchiya said there were no mitigating circumstances in Abe's actions and granted the full two-year jail sentence demanded by prosecutors, as well as confiscation of the boat used in the crime. The judge said Abe assisted an acquaintance, Yukio Yamauchi, 46, the head of a gang affiliated with the Sumiyoshi-kai, by acting as a supervisor for the illegal immigrants on the boat.

### **Keidanren Chief, Delegation Depart for PRC**

*OW2009040293 Tokyo KYODO in English 0227 GMT 20 Sep 93*

[Text] Tokyo, Sept. 20 KYODO—A mission of the Japan-China Association on Economy and Trade left Monday [20 September] on a four-day trip to China for a firsthand look at the Chinese economy, association officials said.

The 79-member mission, the 19th and the largest ever to be sent to China by the association, comprises top Japanese industrial executives, including Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren).

While in Beijing, the delegation is scheduled to hold talks with Communist Party General Secretary Jiang Zemin,

Premier Li Peng, members of the State Planning Commission and other Chinese officials, the association officials said.

### **Kansai Electric Buys Uranium Ore From PRC**

*OW2009113193 Tokyo KYODO in English 1120 GMT 20 Sep 93*

[Text] Osaka, Sept. 20 KYODO—Kansai Electric Power Co. has clinched a long-term deal to buy uranium ore concentrate from China Nuclear Energy Industry Corp., the company said Monday [20 September]. The trial purchase contract is aimed at diversifying Kansai's uranium ore supply sources, utility officials said.

The contract calls for the purchase of a total of about 227 tons of uranium ore concentrate also known as "yellow cake" between 1994 and 1998. Yellow cake is enriched and processed into nuclear fuel at overseas factories for use at the utility's atomic power plants, the officials said.

### **Emperor, Empress Return From European Visit**

*OW1909112693 Tokyo KYODO in English 1100 GMT 19 Sep 93*

[Text] Tokyo, Sept. 19 KYODO—Emperor Akihito and Empress Michiko returned home Sunday [19 September] from a three-nation 17-day trip to Europe. The imperial couple visited Italy, Belgium and Germany.

Upon arriving at Tokyo's Haneda Airport, the emperor said that in Berlin, which he was visiting for the first time, he sensed the people's joy at having a unified Germany but at the same time "was moved by the sorrow German people suffered for years."

He hoped that Japan, "along with Europe which is advancing toward unification, will contribute to building a better world" by helping each other and making use of the lessons of the past.

The European tour was the fourth overseas trip by the emperor and the empress since he acceded to the throne in 1989.

### **MITI Approves Cambodian Stalled Timber Imports**

*OW1609054793 Tokyo KYODO in English 0438 GMT 16 Sep 93*

[Text] Tokyo, Sept. 16 KYODO—The Ministry of International Trade and Industry has approved a long-stalled project by a Japanese trading house to import timber from Cambodia, ministry officials said Thursday [16 September]. The officials said the approval was given Tuesday to Mitsui and Co. for its plan to import about 10,000 cubic meters of timber from the war-torn Indochinese country.

The plan has been held up since last February when the United Nations Transitional Authority in Cambodia (UNTAC) accused Mitsui of violating a ban on timber



exports imposed by Cambodia's Supreme National Council. Mitsui argued that the contract was signed before the export ban took effect on January 1 and that the contract had been approved both by the Cambodian Government and UNTAC.

The consignment had been placed under government custody since it arrived at Nagoya port in January.

#### **Foreign Ministry on Loan Package to Thailand**

*OW2009084693 Tokyo KYODO in English 0820 GMT  
20 Sep 93*

[Text] Tokyo, Sept. 20 KYODO—Japan will provide the 18th loan package of more than 100 billion yen to Thailand, the Foreign Ministry said Monday [20 September].

The Foreign Ministry said that earlier in the day in Bangkok representatives of the two countries exchanged diplomatic notes on Japan's extension of up to 104,462 billion yen in Official Development Assistance (ODA) loans to Thailand for fiscal year 1993 that began last April.

The new commitment brought Thailand into the exclusive club of Japanese aid beneficiaries receiving more than 100 billion yen. The group also includes China, India and Indonesia.

Officials said the volume of the loan package represents a 12.3 percent increase over the 93 billion yen that Japan offered Thailand in its 17th loan package.

The loans will carry an annual interest rate of 3 percent and will be repayable over 25 years, including a seven-year grace period.

The officials said particular emphasis was placed on environmental protection projects such as a 11.2 billion yen loan for a fund to be used to promote environmental conservation in rural areas. But the majority of the 12 projects to be funded by the package were related to infrastructure development and acceleration of rural development. They included projects for highway construction, procurement of locomotives, water supplies and telecommunications.

Cited as a notable feature of this year's package was the first ever ODA-loan funded fuel gas desulfurization plant project to be funded with 15.9 billion yen loan.

#### **North, South Korean Groups Reopen Dialogue**

*OW1709132493 Tokyo KYODO in English 1102 GMT  
17 Sep 93*

[Text] Kitakyushu, Fukuoka Pref [prefecture], Sept. 17 KYODO—Members of the two rivaling Korean residents' organizations in Japan reopened dialogue Friday [17 September] and discussed ways for peaceful unification of the divided Korean peninsula. The gathering in Shimonoseki, Yamaguchi Prefecture, was the first such event by the pro-Seoul Korean Residents Association in

Japan (Mindan) and the Pyongyang-backed General Federation of Korean Residents in Japan (Chongnyon) in more than two decades.

Directly after North and South Korea announced three mutually agreed principles for the nation's peaceful unification in July 1972, Mindan and Chongnyon engaged in active exchanges throughout Japan.

Dialogue was soon suspended by the two organizations, which both claim to be the sole representative of the Korean community in Japan, over ideological differences.

The gathering was attended by 120 members each from the Yamaguchi Prefecture chapters of Mindan and Chongnyon. The meeting was held at a local department store. A performance by a song and dance troupe of local Korean residents set the tone for the event.

Both chapters' chairmen said they want Shimonoseki, the first destination in Japan for most Korean laborers forcibly brought from the Korean peninsula during World War II, to become the starting point for broad exchanges throughout Japan.

The two organizations hope to continue discussing a row of issues, including the protection of rights of Korean residents in Japan and the Korean unification problem. Mindan and Chongnyon officials said.

#### **Tokyo Refuses UN Request for Medical Team**

*OW1309235393 Tokyo KYODO in English 2309 GMT  
13 Sep 93*

[Text] Tokyo, Sept. 14 KYODO—Japan will not send a medical team to the Iraq-Kuwait border to take part in United Nations peacekeeping operations there, government sources said Monday [13 September]. The sources gave no reason why Japan will not accept a UN request to do so.

The world body asked Japan unofficially in early September to send some 40 medical personnel from the Self-Defense Forces (SDF) to join a 1,500-member peacekeeping mission stationed on the Iraq-Kuwait border since April 1991.

Last week, Defense Agency Director General Keisuke Nakanishi expressed willingness to send an SDF medical team to the area but Chief Cabinet Secretary Masayoshi Takemura said the UN request is still being studied.

#### **UN Envoy Discusses Possibility of UNSC Seat**

*OW1709034993 Tokyo KYODO in English 0304 GMT  
17 Sep 93*

[Text] New York, Sept. 16 KYODO—Japan's permanent membership on the United Nations Security Council is considered natural among U.N. member countries, Japan's U.N. envoy said Thursday [16 September].



In an interview with KYODO NEWS SERVICE, Japanese Ambassador Yoshio Hatano said reform of the Security Council is not something that can be neglected for another 10 years. "It will be realized as early as 1995 or at the latest, a few years after that," he said.

Hatano also indicated that many member countries are likely to support bids by Japan and Germany for permanent seats on the Security Council in the upcoming U.N. General Assembly. He said both industrialized and developing countries consider Japan as a "colleague who can speak for their benefits" and they therefore support Tokyo's bid for a permanent seat on the Council.

The reform of the Council, including broadening the limits of permanent and nonpermanent members, is expected to be high on the agenda in the upcoming assembly.

Last year, the General Assembly adopted a resolution to achieve reform of the world body by 1995, the 50th anniversary of the U.N.'s founding.

Hatano indicated that the permanent member countries except the United States—Britain, China, France and Russia—which are said to be negative about Japan and Germany's bids for a permanent seat are not completely opposed. He said those nations have their own agendas such as wanting to increase the U.N. allotment or not wanting to hand over their veto power.

Touching on Japan's role if it is granted permanent membership, Hatano said permanent members have the right to speak out on all activities of the U.N., and that it is not only peacekeeping activities which are important.

"Just because Japan becomes a permanent member does not mean it is necessary to change its Constitution, and no country will urge that either," he said. "Japan should do its best on what it can."

#### **German Embassy Announces UNSC Seat Intention**

*OW2009102593 Tokyo KYODO in English 0942 GMT 20 Sep 93*

[Text] Tokyo, Sept. 20 KYODO—Germany will seek a nonpermanent seat on the 15-member UN Security Council (UNSC) although it aims to eventually get a permanent seat on a reformed council, the German Embassy in Tokyo said Monday [20 September]. "Germany's willingness to assume further responsibility as a member of the Security Council does not depend on a reform of the Security Council."

"For this reason Germany will seek a nonpermanent seat on the Security Council for 1995/96," the embassy said in a press release foreshadowing German Foreign Minister Klaus Kinkel's speech at an upcoming UN General Assembly meeting in New York later this month.

Besides revising the composition of the world body in line with political changes in the wake of the end of the Cold War, Germany considers "maintaining the Security Council's capacity for taking action and its credibility to be equally important," the embassy said.

At present the council groups the five permanent members—Britain, China, France, Russia and the United States—which hold veto power, while 10 nonpermanent seats are rotated among other UN member states every two years.

Japan, which like Germany has made clear its aspirations to become a permanent council member, currently holds a nonpermanent seat.

Germany is ready to become more actively involved in UN duties and activities commensurate with its role as the third largest contributor to the world body's budget following the U.S. and Japan, the embassy said. But is also pointed to the German public's "wide-spread rejection of active German participation in worldwide military actions" and a pending decision by Germany's supreme court hampering greater German engagement.

The court is expected to clarify if Germany's postwar Constitution, widely interpreted as strictly defensive, allows military involvement of German UN troops.

Without making a final decision, the court this April gave the green light to the controversial dispatch of some 1,750 German troops to participate in the UN peace-keeping mission to Somalia.

#### **Police Chief Says Red Army Based in Beirut**

*OW1609114793 Tokyo KYODO in English 1124 GMT 16 Sep 93*

[Text] Tokyo, Sept. 16 KYODO—Japanese Red Army guerrillas have apparently left Southeast Lebanon and are based around Beirut, the director general of the National Police Agency said Thursday. A number of guerrilla groups have left Southern Lebanon for Beirut, said Yasumitsu Kiuchi, with Red Army members, previously headquartered in the Bekaa valley, believed to be following suit.

The guerrillas have moved apparently because Syria, which has influence in the region, is promoting Middle East peace, Kiuchi said.

In Washington on Monday, Israel and the Palestine Liberation Organization (PLO) signed a peace accord on Palestinians' self-rule in occupied territories. Kiuchi warned that terrorism usually intensifies when peace is promoted.

He said the Red Army is linked with groups confronting PLO Chairman Yasser Arafat, such as the Popular Front for the Liberation of Palestine (PFLP) and the Popular



Front for the Liberation of Palestine—General Command (PFLP-GC). The Red Army is best known for a number of hijacks and attacks on airports and embassies in the 1970s.

### **Hosokawa Meets Guatemalan Human Rights Activist**

*OW2009050493 Tokyo KYODO in English 0445 GMT 20 Sep 93*

[Text] Tokyo, Sept. 20 KYODO—Prime Minister Morihiro Hosokawa told Nobel Peace Prize laureate Rigoberta Menchu on Monday [20 September] that he hopes her visit to Japan would increase the Japanese public's awareness of the need to protect human rights. Hosokawa made the comment in a 15-minute meeting at his official residence with Menchu, a Guatemalan Indian human rights activist who won the award in October 1992, a Foreign Ministry official said in a briefing to reporters.

Hosokawa told Menchu he admires her "outstandingly vigorous" activities and welcomed her trip to Japan, the official said. Menchu, who arrived in Japan on Friday for a weeklong stay, reportedly said the purpose of her visit is part of efforts to establish friendly ties with countries other than in Europe and central America.

Menchu, who lives in exile in Mexico, told Hosokawa she wishes to return to Guatemala in the future and create a foundation to cooperate with the Nobel Foundation.

She fled Guatemala in 1981 after her father, mother and brother were murdered by security forces. Her 1983 book, "I, Rigoberta," has been translated in 12 languages.

In a meeting later in the day with Foreign Minister Tsutomu Hata, Menchu asked if Japan could make cooperation for two educational projects for aborigines, Foreign Ministry officials said.

Menchu told Hata she also would like Japanese money to help set up a trust fund to support such educational activities using cash other than that received from the Nobel peace prize, the officials said. She told Hata she would also promote the activities at the United Nations.

In reply, Hata noted difficulties to meet her requests without knowing details of the projects, the officials said. He asked Menchu to provide specifics to the Japanese Embassies in Guatemala or Mexico City, and "if possible, we can cooperate with you."

In welcoming Menchu to Japan, the foreign minister expressed respect for her activities.

Menchu also told Hata a summit for the world's indigenous people will be held in Mexico in October.

### **Six LDP Diet Members Quit Party Factions**

*OW1609121793 Tokyo KYODO in English 1148 GMT 16 Sep 93*

[Text] Tokyo, Sept. 16 KYODO—Six parliamentarians of the opposition Liberal Democratic Party (LDP) said Thursday they have quit their factions inside the LDP to help speed up reform of the party. The group led by Seiichi Ota told a press conference at the party headquarters that they quit their factions in a bid to revamp the LDP, which lost its 38-year-long hold on power after failing to seize a majority in the House of Representatives in the July 18 general election.

Ota was a member of the No. 2 faction led by former Prime Minister Kiichi Miyazawa. The other five are Taku Yamamoto and Kosuke Ito who belonged to the No. 1 faction led by former LDP policy affairs research council chairman Hiroshi Mitsuzuka, and Shokei Arai, Shizuo Sato and Chimpei Nozue from the third-largest faction led by former Foreign Minister Michio Watanabe.

In a written statement, the six men called on the LDP to disband factions. They said they will present the statement to LDP President Yohei Kono.

Meanwhile, former Foreign Minister Watanabe announced Thursday he will not run in the LDP presidential election set to begin Friday, to be held during the party convention on September 29 and 30. Watanabe, who lost to Kono in the July 30 leadership election, told a meeting of his faction members that he will not run in the September presidential election.

Kono is serving as LDP president until September 30, the date of expiry of Miyazawa's two-year term. With Watanabe out of the race, he looks assured of being elected for a two-year term.

Registration of candidacies for the September presidential election is to open Friday.

### **JNP, DRP Form Group in House of Councillors**

*OW1609141193 Tokyo KYODO in English 1307 GMT 16 Sep 93*

[Text] Tokyo, Sept. 16 KYODO—The Japan New Party (JNP) and the Democratic Reform Party (DRP) announced the formation of a single parliamentary group in the House of Councillors on Thursday [16 September], one day before an extraordinary Diet session convenes for a 90-day session, officials of the parties said. Eleven JNP and four DRP upper house members formed the group aiming at stepping up their Diet activities and backing the coalition government of Prime Minister Morihiro Hosokawa, the officials said.

The JNP led by Hosokawa was formed in May last year. The DRP led by Yasumatsu Hoshikawa is the de facto political wing of Japan's largest labor organization,



Rengo [Private Sector Trade Union Confederation]. Both are members of the ruling coalition.

DRP Secretary General Tasaburo Furukawa told reporters the two parties will make efforts to forge a single larger group in the upper house that includes fellow coalition members, the Social Democratic Party (SDP), Shinseito (Japan Renewal Party), Komeito [Clean Government Party], and the Democratic Socialist Party (DSP).

The opposition Liberal Democratic Party has 99 members in the upper house, followed by the SDP with 73, Komeito 24, JNP-DRP 15, DSP 11, Japanese Communist Party 11, Shinseito eight, Niin Club [parliamentary group] five and six independents.

### **Hosokawa Cabinet Okays Political Reform Bills**

*OW1709013993 Tokyo KYODO in English 0108 GMT 17 Sep 93*

[Text] Tokyo, Sept. 17 KYODO—The Cabinet on Friday [17 September] gave the go-ahead to a set of government-sponsored political reform bills aimed at rooting out the graft endemic in Japanese politics. The government will table the four bills in Parliament during an extraordinary session opening Friday, and plans to begin deliberations in mid-October.

The Liberal Democratic Party (LDP), ousted from power in August for the first time in nearly four decades, is poised to submit to the Diet its own political reform proposals markedly different with the government bills.

The clearance of the bills through the Diet by the end of the year is the government's primary task as Prime Minister Morihiro Hosokawa has indicated he will step down if that does not happen.

The government bills call for the replacement of multi-seat constituencies for the House of Representatives with a system combining 250 directly elected seats, one per constituency, with 250 seats selected proportionally. The number of lower house seats would be pared to 500 from the current 511.

Two separate ballots would be cast, one for an individual candidate in a single-seat electorate and the other for a party in a countrywide proportional representation election.

It is widely believed the current system corrupted the LDP and gave birth to money-drenched politicking.

The government package calls for the creation of a council within the prime minister's office to redraw the electoral zones. The seven-member panel, excluding politicians, would offer recommendations to the premier within six months of its appointment.

The maximum disparity in the value of a vote between densely and sparsely populated constituencies should drop to 2-1 under the proposed system.

It also seeks an immediate ban on corporate donations to individual politicians and a review of corporate donations to parties five years after reform legislation is acted upon.

To promote personal donations to politicians, tax credits would be offered under the government plan. A system would be created to subsidize political parties with about 41.4 billion yen or 335 yen per citizen from state coffers.

The seven-party coalition government initially agreed on a plan to offer 60 billion yen in public subsidies to parties, but later decided to cut that by nearly one third in response to criticism from in and outside the government.

The coalition said the seven parties agreed on the earlier amount because they decided to introduce an immediate ban on corporate donations to individual politicians to prevent corruption.

The original plan was that half of the political funds be appropriated by public subsidies because annual donations from business to individual politicians are estimated at 60 billion yen.

Violators of the political funds control law would face fines roughly 2.5 times steeper than at present.

The government bills seek a law to nullify the election of candidates found to have relatives or secretaries buy votes or rig elections, and prohibit those jailed for violating the law from running again in elections for five years after completion of prison terms.

Those fined for breaching the political funds control law would be barred from seeking reelection for five years. Candidates who receive suspended jail sentences would be forbidden to seek reelection during the period of probation.

### **Diet Opens 90-Day Extraordinary Session**

*OW1709020693 Tokyo KYODO in English 0144 GMT 17 Sep 93*

[Text] Tokyo, Sept. 17 KYODO—The Diet opens a 90-day extraordinary session on Friday [17 September] shortly after Prime Minister Morihiro Hosokawa's Cabinet endorsed a set of political reform bills to clean up scandal-tainted Japanese politics. The House of Representatives and the House of Councillors open plenary sessions at 1 P.M. to formally decide that the Diet session will last until December 15.

Full deliberations of the 128th Extraordinary Diet Session will start September 21 when both houses decide on the creation of special panels and other issues, and Emperor Akihito attends the official opening ceremony.

After the ceremony, Prime Minister Hosokawa will deliver a policy address in which he is expected to renew his determination to win passage of political reform bills in the Diet to stamp out corruption. He has repeatedly



indicated that he would step down if he fails to achieve the objective by the end of this year.

Hosokawa, leader of the Japan New Party, will field questions from representatives of other parties September 22 and 24 before leaving for the United States on September 25.

#### **Wataru Kubo 'Almost Certain' of SDP Post**

*OW2309043593 Tokyo KYODO in English 0249 GMT  
23 Sep 93*

[Text] Tokyo, Sept. 23 kyodo—Wataru Kubo, acting chairman of the Social Democratic Party (SDP), is almost certain to be named party secretary general under the new leadership of Chairman-elect Tomiichi Murayama, party sources said Thursday [23 September]. After a series of unofficial negotiations, mainstream members who support Murayama and rivals who back Kubo agreed late Wednesday to give the acting chairman the post in the largest group in Prime Minister Morihiro Hosokawa's coalition government, the sources said.

Earlier the same day, SDP Chairman-elect Murayama asked Kubo to take the secretary general position on condition that those backing Murayama agree to Kubo's appointment, the sources said.

Kubo, 65, a member of the House of Councillors, will be officially named SDP secretary general Friday at a party convention to endorse results of the September 18 and 19 chairmanship election. But it is not yet certain whether or not an election to select a party secretary general will be held Friday since party left-wingers may field their own candidate for the key post.

Kubo, who has expressed plans to run for the chairmanship, withdrew from the election a week before the vote saying he made the move for the sake of party unity.

During Wednesday's negotiations, Murayama backers opposed Kubo's nomination saying that Kubo is not a member of the powerful House of the Representatives, the sources said. But the Murayama bloc finally agreed to accept Kubo because the Kubo group threatened to call the election for secretary general at the party convention, they added.

Murayama has expressed a strong desire to avoid the election for party secretary general.

Kubo, a former high school teacher and prefectural assembly member, was first elected to the upper house in 1974 from Kagoshima Prefecture, southern Japan. Since then he has served in posts such as SDP deputy secretary general, chairman of the party's upper house Diet administration committee, and vice chairman.

Known for his flexible political stance, Kubo created a sensation April last year when he responded positively to a proposed a grand coalition between the SDP and the Liberal Democratic Party as suggested by then LDP Vice President Shin Kanemaru. Kubo has been serving as

acting SDP chairman since August after current SDP Chairman Sadao Yamahana was selected to be state minister in charge of political reforms in the seven-party coalition government.

#### **Rengo President Faces Criticism From Unions**

*OW2309043493 Tokyo KYODO in English 0324 GMT  
23 Sep 93*

[By Tadashi Matsumoto]

[Text] Tokyo, Sept. 23 KYODO—The leader of Japan's largest trade union confederation, who played a key role in installing the current coalition government, is facing stiff criticism from within his own organization.

Akira Yamagishi, president of the eight-million Japanese Trade Union Confederation (Rengo), has expressed an intention to seek a third term in office. But his critics are lining up before the vote at a convention of the confederation slated for October 7 and 8.

Yamagishi, 64, has been accused of being overly involved in politics while neglecting efforts to improve labor conditions. Calls are also being made for a generational change in the leadership.

Yamagishi, who has been in office since Rengo was inaugurated in 1989, is dubbed by political insiders as an "instigator in political world."

Rengo was formed with merger of the General Council of Trade Union of Japan (Sohyo) and the Japanese Confederation of Labor (Domei). Sohyo had been a guardian of the Social Democratic Party (SDP), while Domei had been a major supporter of the Democratic Socialist Party (DSP). Both the SDP and the DSP are members of the seven-party coalition government.

Yamagishi, former leader of the Japan Telecommunications Workers' Union (Zendentsu), the Trade Union of Nippon Telegraph and Telephone Corp., is an advocate for political alignment and a system of two major parties—social democrats and conservatives—vying for power.

The anticommunist Yamagishi, who entered the junior pilot training corps of the Japanese Imperial Navy at the age of 15 in 1944 and received suicide attack training, has been engaged in the Japanese labor movement for 45 years.

Early this year he entered into secret negotiations on the formation of a new political party with senior members of the then Hata faction of the Liberal Democratic Party, including Tsutomu Hata and Ichiro Ozawa. The result was Shinseito, a pivotal party in the coalition government.

In the July 18 general election, major unions under the umbrella of Rengo, including Zendentsu, withdrew backing for left-leaning candidates from the SDP and threw support behind some candidates from three new



conservative parties—the Japan New Party (JNP), Shinseitō (Japan Renewal Party) and Sakigake (Harbinger), another LDP breakaway.

The Rengo leader has expressed willingness to act as a coordinator for the coalition government. He also has a plan to install Hokkaido Governor Takahiro Yokomichi as head of the SDP after the next general election to push a move for a two-party system, political analysts said.

Yokomichi, 52, is widely regarded as a “prince” of the SDP. The former SDP House of Representatives member was elected Hokkaido governor in 1983 for the first time and won his third term in 1991.

Yokomichi said in a recent edition of the ASAHI SHIMBUN weekly AERA that he will fulfill his term, which expires in May 1995.

Left-wing unions in Rengo are critical of Yamagishi. They say his strategy will exterminate the SDP.

The SDP, still the largest party in the coalition government, suffered a crushing defeat in the election, losing nearly half of its preelection strength. SDP's defeat in the election was a setback for Yamagishi and he has no choice but to strive for formation of the coalition government to silence criticism against him, political analysts said.

Labor unions have generally suffered defeats in their annual wage hike negotiations with employers over the last two years. Wage hikes have ranged between the 3-4 percent levels on average in that time.

Rengo Secretary General Seigo Yamada has complained to Yamagishi for making light of union struggles for wage hikes and other economic demands, informed sources said.

“Economic demands will not come true unless politics change,” Yamagishi reportedly said in rebuttal to Yamada's criticism, the sources said.

Morishige Goto, Rengo vice president and chief of the All Japan Prefectural and Municipal Workers' Union (Jichiro), the largest of Rengo's affiliated unions, has expressed his objection to Yamagishi's reelection, citing need of a generational change.

Backed by such a move, Etsuya Washio, chief of the Japanese Federation of Iron and Steel Workers' Unions, and Jinnosuke Ashida, chief of the Japanese Federation of Textile, Garment, Chemical, Mercantile, and Allied Industry Workers' Unions, have informally expressed their intentions to run for the Rengo presidency.

The percentage of organized unions dropped to 24.4 percent last year from 35 percent in 1970. Rengo members only account for 15 percent of the total Japanese work force.

### **Court Rejects Nomura Compensation Payments Suit**

*OW1609053493 Tokyo KYODO in English 0423 GMT 16 Sep 93*

[Text] Tokyo, Sept. 16 KYODO—The Tokyo District Court rejected a lawsuit by a Nomura Securities Co. stockholder demanding that former directors pay the company 100 million yen as partial payment of money Nomura used to compensate a favored client for stock losses.

Presiding Judge Yoshihiro Katayama said the directors acted within their discretion when they compensated losses to Tokyo Broadcasting System Inc. (TBS) in 1990. But he said Nomura's conduct should be condemned socially because it broke the Antimonopoly Law and breached public trust in stock market dealings with securities firms.

Yoshinori Ikenaka filed suit against 14 directors, including former Chairman Setsuya Nomura and former President Yoshihisa Tabuchi, in April 1992 for alleged neglect of duty that damaged the company's reputation.

According to the suit, Nomura signed a contract with TBS in April 1989 to manage the company's 1 billion yen on special “Tokkin” trust funds. But Nomura lost money managing the funds because of a sharp fall in stock prices, and decided at a board meeting to return about 360 million yen as compensation to TBS in March 1990.

The compensation payments were made after the end of 1989 when the Finance Ministry's Securities Bureau prohibited securities companies from making loss-compensation payments to their favored clients. Nomura Vice President Toru Tsuchida, who was named in the suit, expressed satisfaction with the ruling.

### **Shimizu Corporation Head Admits to Bribery**

*OW2209022193 Tokyo KYODO in English 0127 GMT 22 Sep 93*

[Text] Tokyo, Sept. 22 KYODO—Shimizu Corp. Chairman Teruzo Yoshino has admitted bribing former Ibaraki Governor Fujio Takeuchi with 10 million yen, sources close to prosecutors said Wednesday [22 September].

On Monday public prosecutors arrested Yoshino, the head of Japan's largest contractor, on suspicion of giving 10 million yen to Takeuchi around December 16 of last year to secure favors for Shimizu in bidding for public works projects.

They also rearrested Takeuchi on Tuesday on suspicion of receiving the cash from Yoshino. Takeuchi, already in detention, has been indicted on charges of taking 55 million yen in bribes from Hazama Corp., another major construction firm.

Takeuchi reportedly admitted he had received the money, but Yoshino at first denied the allegations of



bribery, according to the sources. The sources said, however, that prosecutors in searches confiscated Yoshino's schedule book which they believe provides evidence to support their case.

Prosecutors also questioned other executives of Shimizu Corp. who accompanied Yoshino in visiting Takeuchi last December, according to the sources. They also questioned prefectural government officials over the public works projects.

### **Fall in FY93 Planned Capital Spending Reported**

*OW1609084593 Tokyo KYODO in English 0829 GMT 16 Sep 93*

[Text] Tokyo, Sept. 16 KYODO—The combined capital investment plans of Japan's manufacturing and non-manufacturing sectors fell 4.6 percent in fiscal 1993 from the previous year, a government bank said in a survey report Thursday. This represents the second consecutive yearly fall, the Japan Development Bank said.

The survey covered capital expenditure plans worked out by 2,940 companies, capitalized at 1 billion yen or more, as of August 10. Of these, 88.0 percent, or 2,588 firms, responded.

The manufacturing sector's plant and equipment investment plans were down a sharp 13.1 percent on a construction basis, reflecting lackluster demand and worsened earnings due to the national economic slowdown, the bank said.

The nonmanufacturing sector's investment plans remained roughly unchanged with a 0.3 percent fall, it said. In particular, investments by retailers, wholesalers and construction companies turned down.

For fiscal 1994, the bank forecast that the capital investment plans of manufacturers and nonmanufacturers combined will decline 3.3 percent from the current year.

Compared with the previous survey conducted in February, the latest survey results represent a downward revision of 1.2 percent, attesting to a cool-off of capital investments, the bank said.

The companies surveyed cited cost reduction as a main reason for their capital spending, it said.

### **Officials Voice Opinions on Income Tax Cuts**

#### **Kansai Business Leaders Urge Cuts**

*OW1609120393 Tokyo KYODO in English 1119 GMT 16 Sep 93*

[Text] Osaka, Sept. 16 KYODO—Osaka region business leaders joined Thursday [16 September] in calling for early income tax cuts to stimulate economic recovery. Osamu Uno, head of the Kansai Economic Federation, expressed regret that tax cuts were excluded from the government's 6 trillion yen pump-priming package unveiled Thursday.

Osamu Inoue, representative of the Kansai Committee for Economic Development, stressed the need for the government to take "bold action" to dispel fears of recession.

Masafumi Onishi, chairman of the Osaka Chamber of Commerce and Industry, appealed to the government to reconsider its stance on income tax cuts.

Inoue described deregulation incorporated in the economic package as not enough, while Uno expressed hope of further liberalization.

#### **Kato on 'Possibility' of Tax Cuts**

*OW1709110793 Tokyo KYODO in English 1021 GMT 17 Sep 93*

[Text] Tokyo, Sept. 17 KYODO—Kan Kato, head of the government's Tax Commission, on Friday [17 September] indicated the possibility of income tax cuts prior to the arrangement of offsetting revenue sources to finance the step. But a blueprint on how to secure financial sources to cover the cuts should be "clarified" in proposals to reform Japan's overall tax system now being studied by the commission, which serves as an advisory body to the prime minister, Kato told a press conference.

Kato emerged from a meeting of a commission subcommittee, held here to discuss the basic points involved in formulating the tax reform plan, due out in mid-November. The commission may propose the issuance of short-term government bonds as a "bridging" measure to be taken before specific money sources to offset the income tax reductions are determined, he said.

A hike in the rate of the consumption tax, currently at 3 percent, is "one of the options," he said.

Any options to be put forward by the commission in mid-November "should not be without substance," Kato said. "Now may be the right time to listen to the people's opinions on whether or not to raise the consumption tax because debate on the matter is not taboo any more as under the former government of Prime Minister Kiichi Miyazawa," he said.

Business and other quarters have been clamoring for income tax cuts as a way to brighten the cooled business sentiment amid the extended economic slump. But views are mixed even within the government over how to raise money to finance the tax cuts.

The government's new economic package released Thursday did not contain the much-wanted income tax reductions. Prime Minister Morihiro Hosokawa on Friday threw his support behind income tax cuts as a part of additional economy-stimulating steps.



**Commission Urges 'Practical' Plan***OW2109125893 Tokyo KYODO in English 1225 GMT  
21 Sep 93*

[Text] Tokyo, Sept. 21 KYODO—A majority of the government's Tax Commission members Tuesday [21 September] underscored the need for a practical framework for carrying out much-wanted income tax reductions.

While many people both inside and outside the government are insisting on the implementation of income tax cuts, the members said, the discussion on such tax cuts should be conducted from a long-term perspective.

The remarks show the members' concern that the government map out specific ways to cover the proposed tax cuts before implementing them.

Commission Chief Kan Kato last week indicated the possibility of income tax cuts prior to the securing of alternative revenue sources to finance the step. Kato cited a hike in the ratio of the consumption tax from the current 3 percent as one possible option for covering the projected income tax cuts.

During Tuesday's commission subcommittee meeting on overall reform of the country's tax system, the members said the commission should clarify its stance on whether or not income tax cuts should be implemented in advance of a consumption tax hike.

Some members expressed concern that if the income tax cut goes ahead, a plan to raise the consumption tax might prove abortive due to possible opposition from the people. How many people would support such a hike, the members queried.

The commission should work out a framework that would make both income tax cuts and a consumption tax hike feasible, many members said.

Meanwhile, a ranking government official said Tuesday the scale of the proposed consumption tax hike should exceed that of income tax cuts. Income tax cuts would not be the area requiring government expenditure, the official said, noting that governmental medical and pension outlays will grow in the future with the expected aging of Japanese society.

Meanwhile, Management and Coordination Agency Director General Koshiro Ishida denied Tuesday that he made remarks in favor of a consumption tax hike linked with income tax cuts. Ishida told a news conference he does not remember saying anything supporting linkage of the two steps.

Income tax reductions would play an important role in shoring up the sagging Japanese economy but discussion should be made fully before resorting to a consumption tax hike as a way to cover the step, he said.

In an earlier news conference Tuesday, Ishida said a government consensus will probably lean toward income tax cuts backed by a plan to raise the consumption tax.

**Business Leader Inaba Comments***OW2209030093 Tokyo KYODO in English 0215 GMT  
22 Sep 93*

[Text] Tokyo, Sept. 22 KYODO—A Japanese business leader said Wednesday [22 September] the economy remains weak, and called for quick implementation of an income tax cut.

Kosaku Inaba, chairman of the Japan Chamber of Commerce and Industry, said at a regular member meeting in Tokyo that the whole economy has become sluggish with employment adjustment spreading in industries. He urged the government for early implementation of income tax reduction, saying, "the consumers' mind to spend money has entirely cooled. Income tax reduction would help encourage consumers."

Inaba said the tax cut should be funded by raising the consumption tax rate, currently fixed at 3 percent, noting, "Japan's tax system should be revised thoroughly from a middle- and long-term point of view."

**Miyoshi Urges Cuts in Advance***OW2209092093 Tokyo KYODO in English 0848 GMT  
23 Sep 93*

[Text] Tokyo, Sept. 23 KYODO—The head of Japan's powerful business lobby Keidanren suggested Wednesday [23 September] that income tax cuts be implemented ahead of an increase in consumption tax. Masaya Miyoshi, president of the Federation of Economic Organization, told a professional luncheon at the Foreign Correspondents' Club of Japan, "tax cuts, the sooner the better."

Miyoshi speculated that consumption tax could be raised in two or three years, depending on the economic situation.

He said it is time for both the government and the business community to think seriously about a combination of income tax cuts and future consumption tax increases.

Miyoshi said he believes the government could issue some deficit-covering bonds over the short term to finance the gap between future increases in consumption tax and more immediate income tax cuts.

Asked if consumption tax increases would encourage savings rather than spending, Miyoshi replied that the burden of compulsory income tax, especially on middle-aged salaried workers, should be eased and consumers given more choices. "My hunch is not a 10 percent consumption tax. This would just scare consumers...And they would buy less," Miyoshi said.



He predicted that the consumption tax, currently at 3 percent, would rise to 6 or 7 percent.

On political realignment, Miyoshi predicted that the new coalition government will remain in power until a political reform plan, including the redrawing of electoral districts, is put into effect and the fiscal 1994 budget is passed. "This means that a (political) turning point is likely to come around next summer," he said.

As to Keidanren's decision to suspend the practice of channeling political funds, Miyoshi said Keidanren will relentlessly urge politicians to conduct political and administrative reforms. He said that would allow parties and politicians to dispense with all corporate donations, including those geared to protecting business interests.

### **ODA Budget Request Hits 1.09 Trillion Yen**

*OW2209092293 Tokyo KYODO in English 0856 GMT  
22 Sep 93*

[Text] Tokyo, Sept. 22 KYODO—The government's budget request for official development assistance (ODA) in fiscal 1994 reached 1.09 trillion yen, up 8.3 percent from the previous year, the Foreign Ministry said Wednesday [22 September]. The growth rate was larger than the 7.9 percent ceiling on ODA budget requests the Finance Ministry decided on in August, ministry officials said.

Of the requested budget, the Foreign Ministry and the Finance Ministry together accounted for 85 percent, while the other 16 related ministries and agencies took about 15 percent, they said. But the officials said that when it is approved in December, the fiscal 1994 ODA program may increase only by about 6.4 percent from the previous year, they said.

Due to the Finance Ministry's tough budgeting stance, the figure may even be smaller at about 5.4 percent, they said.

### **Agency Urges Lower Petroleum Products Prices**

*OW1709092593 Tokyo KYODO in English 0844 GMT  
17 Sep 93*

[Text] Tokyo, Sept. 17 KYODO—The Agency of Natural Resources and Energy Friday [17 September] submitted a written request to five petroleum-related business groups to lower the prices of their products as a way of passing on benefits of the yen's appreciation to consumers, agency officials said.

The agency, affiliated with the Ministry of International Trade and Industry (MITI), wants lower retail prices for gasoline, liquefied natural gas and other oil products. Among the groups asked to lower prices is the Petroleum Association of Japan, the officials said.

Oil wholesalers revise prices for their mainstay products monthly in light of every month's foreign exchange rates, industry sources said.

The agency will keep an eye on prices of oil products like kerosene to see if the profits from the yen's rise are passed on sufficiently to consumers, the officials said. Demand for kerosene for use in heating is expected to increase, they said.

### **Utilities Apply for Approval To Lower Charges**

*OW2009042893 Tokyo KYODO in English 0354 GMT  
20 Sep 93*

[Text] Tokyo, Sept. 20 KYODO—Japan's electric power and city gas companies on Monday applied to the Ministry of International Trade and Industry for approval of rate cuts, company officials said.

The rate reduction is aimed at passing on to consumers some of the windfall profits stemming from the yen's appreciation against the U.S. dollar. The rate cuts of electricity, the first since April 1984, and those of city gas are to take effect in November, they said.

### **Insurers Praise New Economic Stimulus Package**

*OW1709131593 Tokyo KYODO in English 1258 GMT  
17 Sep 93*

[Text] Tokyo, Sept. 17 KYODO—The 6.2 trillion yen economic stimulus package unveiled by the government Thursday [16 September] is satisfactory in terms of easing government regulations, but second-round measures may be necessary, the head of a life insurers business organization said Friday. Toshiomi Uragami, chairman of the Life Insurance Association of Japan, said that relaxing government regulations is something no past administration had tried to do.

He added, however, that he believes the administration of Prime Minister Morihiro Hosokawa sees the package as only the first round of measures to beef up the economy. "There will be more calls for income tax cuts and official discount reduction from now on," Uragami said, adding that his organization expects the government to come up with second-round measures.

Touching on a U.S. call in bilateral trade talks with Japan for a delay in liberalizing insurance business in the damages, illness and nursing fields, Uragami said that if liberalization forces foreign nonlife insurers from the Japanese market he can understand their situation "emotionally."

### **Reaction to Official Discount Rate Reduction**

#### **Takemura Says Rate Cut 'Timely'**

*OW2109040393 Tokyo KYODO in English 0349 GMT  
21 Sep 93*

[Text] Tokyo, Sept. 21 KYODO—The official discount rate reduction by the Bank of Japan (BOJ) to another historic low will not revive the "bubble economy" period of asset inflation, Chief Cabinet Secretary Masayoshi Takemura said Tuesday [21 September].



The top government spokesman said at a news conference that the cut in the key lending rate charged on commercial banks is "timely" and asserted it will not resurrect a business boom marked by skyrocketing land and stock prices in the late 1980s. He reasoned recent consumer prices have been fluctuating stably and stock and land prices are not what they used to be during the bubble economy period.

"The lower rate does not always cause an economic bubble automatically," Takemura said.

The BOJ lowered its official discount rate by 0.75 percentage point to 1.75 percent per annum on Tuesday to breathe life into the sickly Japanese economy.

### **Business Leaders Welcome Cut**

*OW2109042393 Tokyo KYODO in English 0358 GMT 21 Sep 93*

[Text] Tokyo, Sept. 21 KYODO—Japanese business leaders on Tuesday welcomed the latest cut in the official discount rate by the Bank of Japan (BOJ) aimed at boosting Japan's flagging economy. Earlier Tuesday, the central bank cut the key rate by three-quarters of a percentage point, effective immediately, to an all-time low of 1.75 percent per annum.

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), praised the BOJ for making the decision.

Kosaku Inaba, chairman of the Japan Chamber of Commerce and Industry, said the sharp rate cut is likely to boost the economy in combination with the government's fresh pump-priming package announced last Thursday. Inaba also urged the government to implement large-scale income tax cuts to back up the stimulus measures and rate cut.

The government should try to minimize the effects on pensioners of expected cuts in deposit and savings interest rates following the discount rate cut, Inaba said.

Takeshi Nagano, president of the Federation of Employers Associations (Nikkeiren), said the Japanese economy could face its worst crisis since World War II without strong stimulus measures.

Nagano also discounted fears of a rekindling of the "bubble economy" period of skyrocketing real estate and stock prices seen in the late 1980s.

Tadashi Okuda, chairman of the Federation of Bankers Associations of Japan, also welcomed the discount rate cut, saying it is likely to alleviate Japan's economic uncertainties in combination with the government's pump-priming package. Okuda said the sharp rate cut reflects the BOJ's strong determination to stimulate the economy.

### **Ministry Eases Curbs on Aircraft Maintenance**

*OW2009075393 Tokyo KYODO in English 0704 GMT 20 Sep 93*

[Text] Tokyo, Sept. 20 KYODO—The Transport Ministry will ease some existing restrictions on airliner repair and maintenance in a move to help Japanese airlines cut costs, ministry officials said Monday [20 September].

Beginning next April, the airlines will be allowed to subcontract final inspections on passenger and cargo aircraft after repair and maintenance work is completed, the officials said. They will also be allowed to subcontract such work to foreign companies.

Existing restrictions require Japanese airlines to use their own certified aircraft mechanics for final inspections and effectively prohibits subcontracting repair and maintenance to foreign companies.

To implement the changes, the ministry plans to submit at the next ordinary Diet session legislation revising the civil aviation law, the officials said.

### **Jul National Industrial Output Revised Upward**

*OW1709125493 Tokyo KYODO in English 1208 GMT 17 Sep 93*

[Text] Tokyo, Sept. 17 KYODO—Japan's industrial production in July dropped a seasonally adjusted 0.2 percent from the previous month, rather than 0.3 percent as posted in a preliminary report, the Ministry of International Trade and Industry (MITI) said in a revised report Friday [17 September].

It said the index for total output at factories and mines in July was 91.8 against the base figure of 100 in 1990, compared with 91.7 as shown in its preliminary report. Output rose in June.

The shipment index remained unchanged at 92.8, while the inventory index came to 109.0, up from the initially reported 108.9. It was the third straight monthly rise in inventories.

The ministry said industrial production in the month fell, with a notable drop of 2.5 percent in output of subcompact cars and trucks. Output of nonferrous metals, steel and precision industries was also lower.

Shipments rose in the steel and transportation machinery sectors, but those in nonferrous metals, food and tobacco industries dropped.

Inventories increased in electric machinery, transportation machinery and general machinery sectors. The ministry said adjustments in inventories have come to a standstill, because consumer spending and corporate investment have slumped.



### **Ministry To Implement Public Servant Pay Raise**

*OW2109091593 Tokyo KYODO in English 0855 GMT  
21 Sep 93*

[Text] Tokyo, Sept. 21 KYODO—The Ministry of Finance, in an about-face, decided Tuesday [21 September] to implement salary hikes of 1.91 percent for central and local government workers in fiscal 1993 as advised by the national personnel authority, officials said. It will be the eighth straight year that public servants will get a pay raise as recommended by the authority.

The ministry, which earlier planned to freeze pay hikes for government employees because of the stringent state of government finances, changed its stance following the inauguration of the coalition government. The Social Democratic Party of Japan [SDPJ], the largest group in the multiparty coalition, has insisted that the pay hike recommendation be implemented in full.

The officials said the proposed pay hikes will cost the government 143 billion yen, less than the 145.3 billion yen set aside in the 1993 fiscal budget, because the recommendation called for a reduction of mid-year and year-end bonuses to a total of 5.3 months' salary from 5.45 months'. They said the number of central and local government employees total about 3.3 million.

### **Order Issued To Meet Rice Seed Shortage**

*OW1309135793 Tokyo KYODO in English 1337 GMT  
13 Sep 93*

[Text] Tokyo, Sept. 13 KYODO—The farm ministry has ordered its regional offices and the Hokkaido prefectural government to take steps to enable farmers to cope with a possible shortage of rice seeds, ministry officials said Monday [13 September].

The Agriculture, Forestry and Fisheries Ministry has served notices because of the likelihood of a shortage following a poor rice harvest caused by an unusually cool and wet summer, particularly in Hokkaido, Tohoku and Kyushu. In Japan, rice seeds are produced only at paddy fields designated by prefectural governors.

The ministry is informing its regional offices in the notices to designate some other paddy fields to secure the necessary amounts of seeds. If there still is a shortage of seeds, part of the harvested paddies must be used for seeds, the notices said.

### **Ministry Reports Poor Growth of Rice Nationwide**

*OW1609075493 Tokyo KYODO in English 0641 GMT  
16 Sep 93*

[Text] Tokyo, Sept. 16 KYODO—The Farm Ministry's regional bureau chiefs reported Thursday nationwide harvests of the 1993 crop of rice will be poor due to unseasonably cool and wet summer weather, ministry officials said.

The heads of the seven regional bureaus of the Agriculture, Forestry and Fisheries Ministry opened a two-day meeting in Tokyo to discuss the nation's agricultural problems and a farm budget for fiscal 1994, which begins next April 1. Farm Minister Eijiro Hata told the meeting that there is no need to worry about the national rice supply-demand situation for the coming year despite delays in deliveries of the new rice crop. He said a considerable amount of newly harvested rice is likely to be collected nationwide by next month.

According to the bureau chiefs, a considerable amount of rice plants sterility is likely in Hokkaido, while some drops in harvests are expected in Northern Honshu and Kyushu.

There is also a serious concern about rice harvests in the Tokai region on the Pacific coast of Central Honshu due to damage from two typhoons, the officials said.

The officials urged the government to make an early decision on the rice production plan for 1994 and aid to farmers suffering from poor crops.

### **Tokyo Plans Aid to Rice Farmers With Poor Crop**

*OW2009044893 Tokyo KYODO in English 0427 GMT  
20 Sep 93*

[Text] Tokyo, Sept. 20 KYODO—The government will quickly implement emergency measures to relieve rice farmers affected by the unseasonably cool and wet summer weather, Chief Cabinet Secretary Masayoshi Takemura indicated Monday [20 September].

Takemura told reporters the government needs to take such measures early, even before the harvest index for the 1993 crop of rice is announced. He did not give details of the measures, however.

The Agriculture, Forestry and Fisheries Ministry is considering scaling back rice production cuts for next year in light of the poor rice harvest expected this year.

The government annually announces plans for rice production for next year on the basis of the national rice harvest index as of October 15, which is published at the end of October.

### **Eases Penalties for Rice Growers**

*OW2009082093 Tokyo KYODO in English 0755 GMT  
20 Sep 93*

[Text] Tokyo, Sept. 20 KYODO—The Agriculture, Forestry and Fisheries Ministry will try to boost rice crops by easing penalties on rice growers who have not reduced the sizes of their rice fields to target scale, ministry sources said Monday [20 September]. Each year since 1971, the ministry through municipal governments has called on rice growers across the nation to put some rice paddies out of production in order to avoid oversupply.



When a certain region did not meet its planned reduction, the ministry penalized it by adding the overproduction to the reduction target for the following year. But now it wants rice growers to increase output next fiscal year because this year's crop is expected to drop considerably due to cool summer weather and typhoons, the sources said.

Some farmers in Akita Prefecture and areas around large cities have not yet met the reduction target for this year but the ministry is likely to skip the penalty or impose ones smaller than expected, the sources added.

They said the ministry is also likely to ease another form of penalty—reduction of subsidies for regional projects such as rice paddy maintenance.

### **Rice Sales at Market Prices 'Emergency Measure'**

*OW2209124893 Tokyo KYODO in English 1228 GMT 22 Sep 93*

[Text] Tokyo, Sept. 22 KYODO—The government plans to allow farmers to sell all of their rice crop this year at market prices, as an emergency measure, farm industry sources said Wednesday [22 September]. Normally, farmers are required to sell part of their crop to the government at government-controlled prices, while they can sell the remainder at market prices.

As the government price is usually lower than the market price, some farmers, particularly in bad harvest years, send some or all the rice they are supposed to sell to the government to underground rice markets to boost their earnings.

The latest move is designed to stem a possible flow of rice to the black market due to an expected poor harvest this year following unseasonable weather, the sources said.

The government also fears that the situation, if left unattended, would fuel calls for emergency rice imports. Japan bans rice imports, on the grounds that it needs to maintain self-sufficiency in the staple crop.

In line with a request from the government's Food Agency, the decision on rice sales will be formalized next Tuesday by the National Federation of Agricultural Cooperative Associations and the Central Union of Agricultural Cooperatives.

Under the exceptional measure, farmers will be able to obtain a market price of around 20,000 yen per 60 kilograms of rice from the cooperatives, compared with the government price of 16,000 yen, the sources said.

The two agricultural cooperatives will seek government subsidies to make up the difference between the government price and the price they pay the farmers, the sources said.

## **North Korea**

### **O Chin-u Meets Bulgarian, Yugoslav Ambassadors**

*SK2309115193 Pyongyang KCNA in English 1027 GMT 23 Sep 93*

[Text] Pyongyang, September 23 (KCNA)—O Chin-u, minister of People's Armed Forces, separately met and had a talk today with Bulgarian Ambassador to Korea Yordan Mutafchiev who paid a courtesy call on him and with Yugoslav Ambassador Milan Seslija who paid a farewell call on him.

### **Delegate Addresses Interparliamentary Conference**

*SK2209111793 Pyongyang KCNA in English 1018 GMT 22 Sep 93*

[Text] Pyongyang, September 22 (KCNA)—Yi Mong-ho, head of the DPRK parliamentary group delegation, in his speech September 16 at the 90th Inter-Parliamentary Conference held in Canberra said to prevent a war and defend peace in the present period is a grave matter related to the destiny of mankind. The Democratic People's Republic of Korea has made consistent efforts to bridge over the present difficulties created on the Korean peninsula and open the way of independent and peaceful Reunification of the country, he stressed.

Noting that the consistent anti-nuclear peace stand of the DPRK has been proved through the two rounds of DPRK-USA talks, he recalled that the United States of America reconfirmed its commitment to the principle of guaranteeing the nonuse of forces including nuclear weapons and assuring against any threat by such force.

The adoption of the DPRK-US joint statement means laying the basis for a fundamental solution of the nuclear problem on the Korean peninsula and, if the principles of the statement are implemented substantially, it would be greatly conducive not only to the denuclearization of the Korean peninsula but also to peace and security in Asia and the rest of the world, he said.

It is no use merely reaching an agreement or making a promise at the talks, he said, and went on: "The DPRK and U.S. sides should jointly strive to produce a positive result by continuing with the negotiation in good faith on an equal and fair basis in accordance with the principles declared at home and abroad through the joint statement.

"We will as ever make every effort to solve the nuclear problem through negotiation and reunify the country in a peaceful way."

A member of the DPRK delegation made a speech on September 17 refuting the outrageous talk of the South Korean "delegate" about the "nuclear ambition" and "nuclear development" of the North and "sanctions". "It cannot be viewed otherwise than a ridiculous act to



throw cold water on the DPRK-USA talks and frustrate the talks at any cost," he said.

### **Meeting Commemorates Malian Anniversary**

*SK2209061393 Pyongyang KCNA in English 0411  
GMT 22 Sep 93*

[Text] Pyongyang, September 22 (KCNA)—A meeting commemorating the 33rd anniversary of the proclamation of the Republic of Mali was sponsored by the Korea-Mali Friendship Association here Tuesday.

Present at the meeting were Yi Chol-sin, vice-chairman of the Committee for Cultural Relations With Foreign Countries and vice-chairman of the Korea-Mali Friendship Association, other officials concerned and working people in the city.

A speech was made and a congratulatory message to the Malian president adopted at the meeting.

### **Sudanese Union Group From Mali Arrives 21 Sep**

*SK2109120093 Pyongyang KCNA in English 1047  
GMT 21 Sep 93*

[Text] Pyongyang, September 21 (KCNA)—A delegation of the Sudanese Union-African Democratic Rally in Mali headed by secretary general of its Direction Committee Amadou el Becir Gologo arrived here today.

The delegation was met at the airport by Choe Tae-pok, alternate member of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea, and officials concerned.

### **WPK Fetes Group**

*SK2209061993 Pyongyang KCNA in English 0421  
GMT 22 Sep 93*

[Text] Pyongyang, September 22 (KCNA)—The Central Committee of the Workers' Party of Korea [WPK] Tuesday gave a reception for the delegation of the Sudanese Union-African Democratic Rally in Mali on a visit to Korea.

Choe Tae-pok, alternate member of the Political Bureau and secretary of the WPK Central Committee, made a speech at the reception.

He said:

"Your party founded by esteemed Comrade Modibo Keita has grown to be a powerful force that exerts a great political influence on the life of the Malian people now, overcoming repeated ordeals and difficulties for a long historical period. We are rejoiced over the many successes and progress you have made in strengthening the party organisationally and ideologically and expanding its mass foundation and in building a new Mali.

"We highly estimate and support your stand and efforts to achieve the unity of progressive forces and unification of Africa against imperialism and colonialism.

"Our two parties and two peoples have supported and cooperated with each other closely, firmly joining hands on the road of independence against imperialism from long ago. We will continuously strive to strengthen and develop the bonds of friendship and solidarity between the two parties and two peoples."

Head of the delegation Amadou el Becir Gologo, secretary general of the Direction Committee of the Sudanese Union-African Democratic Rally in Mali, spoke at the reception.

He said they were fascinated by the patriotic labour and patriotism shown by the Korean people guided by the great Comrade Kim Il-song and dear Comrade Kim Chong-il who is successfully carrying forward his cause.

Now, the example set by the Democratic People's Republic of Korea is a model for the African continent, he remarked.

He said he is convinced that socialism is sure to win victory.

He voiced full support to the 10-point programme of the great unity of the whole nation advanced by the great leader Comrade Kim Il-song and the DPRK's proposal demanding the discontinuation of the "Team Spirit" joint military exercises in South Korea. "The stand of our party toward Korea will never change under whatever situation", he said.

He sincerely hoped that the friendship between the two parties and two peoples would be consolidated.

### **WPK, Group Hold Talks**

*SK2209130993 Pyongyang KCNA in English 1117  
GMT 22 Sep 93*

[Text] Pyongyang, September 22 (KCNA)—Talks were held here today between delegations of the Workers' Party [WPK] of Korea and the Sudanese Union-African Democratic Rally in Mali [SUADRM].

Present at the talks on the Korean side were Choe Tae-pok, alternate Politburo member and secretary of the C.C. [Central Committee], WPK, and officials concerned, and on the opposite side were the delegation of the SUADRM headed by Amadou el Becir Gologo, secretary general of its Direction Committee.

The sides informed each other of the activities of their parties and exchanged views on the further development of the relations between the two parties and on a series of matters of mutual concern.

The talks proceeded in a friendly atmosphere.

### **Group Has Gift for Kim Il-song**

*SK2309115593 Pyongyang KCNA in English 1031  
GMT 23 Sep 93*

[Text] Pyongyang, September 23 (KCNA)—The great leader President Kim Il-song was presented with a gift by



the delegation of the Sudanese Union-African Democratic Rally in Mali staying in Korea.

The gift was handed to Choe Tae-pok, alternate member of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea, by head of the delegation Amadou el Becir Gologo, secretary general of the direction committee of the Sudanese Union-African Democratic Rally in Mali.

#### **Gift for Kim Chong-il**

*SK2309115793 Pyongyang KCNA in English 1032  
GMT 23 Sep 93*

[Text] Pyongyang, September 23 (KCNA)—The dear leader Comrade Kim Chong-il was presented with a gift by the delegatin of the Sudanese Union-African Democratic Rally in Mali staying in Korea.

The gift was handed to Choe Tae-pok, alternate member of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea, by head of the delegation Amadou El Becir Gologo, secretary general of the directon committee of the Sudanese Union-African democratic rally in Mali.

#### **International Organization Awards Inventors**

*SK1809053693 Pyongyang KCNA in English 0457  
GMT 18 Sep 93*

[Text] Pyongyang, September 18 (KCNA)—The World Intellectual Property Organization awarded gold medals and diplomas to inventors of the Democratic People's Republic of Korea.

The awarding ceremony took place here Friday [17 September].

A decision of the organization on awarding the gold medals and diplomas to the inventors who had made new scientific achievements was read at the awarding ceremony.

Gold medals and diplomas were awarded to Ko Chin-nam, director of the November 19 Institute of the Ministry of Railways, and Yim Kwang-ya (woman), a room chief of the Kaesong Insam (ginseng) Institute of the Academy of Agricultural Sciences, by G. Faruq Achikzad, representative of the United Nations Development Programme in Korea, authorized by the director general of the World Intellectual Property Organization.

#### **Pyongyang Holds Invention, Technology Exhibition**

*SK2009123193 Pyongyang KCNA in English 1031  
GMT 20 Sep 93*

[Text] Pyongyang, September 20 (KCNA)—A national exhibition of invention and new technology was held in Pyongyang.

On display were some 4,200 items of inventions and new technologies selected from all provinces, which represent the achievements in science and technology made in recent years.

A new slag separator conducive to removing toilsome labor and raising the efficiency of coal separation at coal mines, highly- efficient electric motors, the method of producing iron with domestic raw material and other results of researches were estimated as great inventions.

The items which were estimated favorably include a digital depth- measuring device conducive to the modernisation and scientisation of geological prospecting (by the central physical prospecting team), a surface aeration flotation machine making it possible to raise the ore dressing rate while economizing on equipment and material by half (by the Central Institute of Mining Industry) and an all- purpose curved axis processing lathe (by the Toksan coal mine under the Kangdong District coal mining complex).

New high-yielding seeds and farm machines and equipment were also exhibited.

A remote control device for the production and conveyance of concrete mixture, large-size heat exchanging sheets and other inventions made in the domains of construction and city management also enjoyed favorable comments.

The closing ceremony of the exhibition was held on September 18.

Gold, silver or bronze medals of the exhibition were awarded to some 400 items of inventions and new technologies.

#### **Report on U.S., South Exercises on 21 Sep**

*SK2309052293 Pyongyang KCNA in English 0439  
GMT 23 Sep 93*

[Text] Pyongyang, September 23 (KCNA)—Formations of U.S. overseas-based fighter bombers and pursuit and assault planes staged a bombing exercise in the sky above Yaju, Yongwol and Umsong of South Korea on September 21, aiming at a surprise attack on strategic targets of the northern half of Korea with fighter planes of the U.S. Air Force stationed in South Korea and the South Korean puppet Air Force, according to military sources.

And tankers refuelled scores of fighter bombers during an aerial military exercise in the sky above the sea off Kunsan and Yongwol.

Meanwhile, the South Korean puppets sent on the same day tanks and large-calibre artillery units of the puppet army to Kumpa-ri and Chongja-ri of Paju County, Kyonggi Province, and Naetae-ri of Chorwon County and Simjok-ri of Inje County, South Korean Kangwon Province, to fire toward the Demilitarized Zone.



On the same day a group of combatant ships of the puppet army staged a naval offensive operational exercise against the North in the waters off Kangnung with the support of flying corps.

The frantic war moves of the U.S. imperialists and the South Korean puppets bring to light their hostile nature.

### **KCNA Reacts to Kim Yong-sam Assembly Speech**

*SK2309012393 Pyongyang KCNA in English 2306 GMT 22 Sep 93*

[Text] Pyongyang, September 22 (KCNA)—South Korean ruler Kim Yong-sam in his policy speech at the National Assembly Tuesday [21 September] made an absurd rigmarole that the present "civilian government" is establishing "national spirit" and "national legitimacy", according to a radio report from Seoul.

This is a deceptive hokum to cover the despicable anti-national, flunkeyist and treacherous nature of the "civilian government".

It is a well-known fact that the present "civilian government" as consistently taken flunkeyism and treachery as the mode of existence from the first day of its appearance, which have nothing to do with "national legitimacy".

It is foolish of Kim Yong-sam to have blared about "national identity" and "patriotism".

It is preposterous that the South Korean fascist ruling quarters who indiscriminately arrest and imprison those people and students who say a word about independence are talking about "national legitimacy".

If the South Korean authorities are really to keep national identity alive, they should, first of all, take the road of national independence and stop scheming to do harm to the fellow countrymen.

Kim raised again the "nuclear suspicion of the North in an attempt to hurt the fellow countrymen with the help of outside forces. This shows well that the South Korean authorities have not a bit of national identity but are accustomed to do treachery.

The South Korean ruler, referring to the "security problem", made hostile remarks that peace is possible only when there is strength. His utterance is no more than a base sophism to do harm to the fellow countrymen.

All facts prove that the "civilian government" of South Korea is a flunkeyist and treacherous regime which ruthlessly tramples down "national legitimacy" and Kim Yong-sam is a traitor to the nation who has not an atom of national identity.

However hard the South Korean authorities may try to put on a veil of "nationalism" they cannot conceal their anti-national nature.

### **Materials Supply Functionaries Meeting Opens**

*SK2309005993 Pyongyang Korean Central Broadcasting Network in Korean 2300 GMT 21 Sep 93*

[Text] A national meeting of materials supply functionaries opened at the People's Palace of Culture on 21 September. The national meeting, held amid deep interest and expectation by our party and people, summed up the results and experiences of the past that were achieved in the materials supply work under the wise leadership of the great leader and the dear comrade leader. It will also discuss the militant tasks the materials supply sector faces in the struggle to vigorously accelerate the great advance of the socialist construction in the nineties by thoroughly fulfilling the revolutionary economic strategy presented by the party.

Portraits of the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il were placed in front of the meeting place. Slogans reading, "Hurrah for the great leader Comrade Kim Il-song!" and "Hurrah for the glorious Workers Party of Korea [WPK]!" were posted at the meeting place.

A model of Mt. Paektu, which symbolizes our party's brilliant revolutionary tradition, and words reading, "National meeting of materials supply functionaries," were also posted at the back of the rostrum. Slogans reading, "Let us safeguard, adhere to, and thoroughly implement the great Taean work system!" and "Let us all advance even more by highly upholding the revolutionary banner of self-reliance and fortitude raised at the majestic Mt. Paektu!" were also placed at the meeting place.

Present at the meeting were Comrade Kang Song-san, member of the Political Bureau of the WPK Central Committee and premier of the Administration Council; Comrade Han Song-yong, member of the Political Bureau of the WPK Central Committee and secretary of the party Central Committee; Comrades Choe Yong-nim, Hong Song-nam, and Kim Tal-hyon, alternate members of the Political Bureau of the WPK Central Committee and vice premiers of the Administration Council; Comrade Kim Hwan, vice premier of the Administration Council; other functionaries concerned; and exemplary materials supply functionaries throughout the nation.

The meeting started with the singing of the songs of General Kim Il-song and the dear Comrade Kim Chong-il. Comrade Han Song-yong delivered the WPK Central Committee's congratulatory message to the national meeting of materials supply functionaries. All the participants of the meeting excitedly accepted and embraced the WPK Central Committee's congratulatory message which was filled with our party's great faith and expectations. They were overflowing with endless emotion and happiness and were shouting with joy over and over again. They showed the firm will and revolutionary enthusiasm to implement thoroughly the programmatic tasks put forth in the congratulatory message.



Next, Comrade Kim Tal-hyon gave a report. The speaker said that the national meeting of materials supply functionaries was held at a time when all the people of the entire nation are bringing about a new revolutionary upsurge in all fronts of the socialist construction embraced with the great dignity and pride of having brilliantly decorated the victory of the 40th anniversary of the great Fatherland Liberation War as a great festival of the victors. He also said this national meeting will strengthen the materials supply work in accordance with the demands of the developing realities so that the general forward speed creating the struggle of socialism of our own style can be vigorously pushed forward. He said that, thus, this will be an important opportunity in resolutely smashing [chitbusigo] the anti-Republic and antisocialist maneuvers by the imperialists and reactionaries and in safeguarding, adhering to, and elucidating socialism of our own style centered on the popular masses.

The speaker said that Comrade Kim Chong-il, the dear leader of our party and people, sent the party Central Committee's congratulatory message to the meeting to enthusiastically congratulate the participants of the meeting and all materials supply functionaries. He also said that Comrade Kim Chong-il, the dear leader of our party and people, wholly elucidated in detail the struggle tasks and methods to achieve a new turning point in materials supply work.

The speaker said that in a socialist society the materials supply work is an important administrative organizational work which distributes production means and controls its use for the working-class state to develop production and fulfill the plan of the people's economy. He said that based on having a deep insight on the characteristics of a socialist society and the inevitable demand of the socialist economic management, the great leader Comrade Kim Il-song created a unique socialist materials supply theory which embodied the *chuche* idea, thus, providing a mighty weapon to vigorously accelerate socialist construction. He stressed: The great leader Comrade Kim Il-song monolithically systemized and consummated a socialist principle, system, and method for the material supply in conformity with the intrinsic demands and transitional characteristics of a socialist society, thus regarding the materials supply work as a socialist state's major administrative and organizational one that materially guarantees the independent and creative production activities of the working popular masses. Herein lie the creation and justification of a *chuche* socialist materials supply theory as well as an outstanding achievement made by the great leader Comrade Kim Il-song for the development of a revolutionary theory of the working class.

He said that based on the brilliant revolutionary tradition established during the anti-Japanese revolutionary struggle, the great leader Comrade Kim Il-song had not only created the *chuche* socialist materials supply theory that reflected the independent aspiration and demands of the working popular masses, but also prepared a new

materials supply system of our own style that embodied the revolutionary mass line, thus creating the *Tae'an* work system, a form of the *chuche*-oriented economic management, and that he wisely led us to implement it thoroughly at every time and stage of the revolution and construction.

He stated that the great leader had prepared the materials supply system of our own style that firmly guarantees a state's unified planning guidance and taken various steps in succession to highly display its superiority and vitality, and that as a result, he had enabled us to effect a revolutionary upsurge in the socialist economic construction.

He said: The respected and beloved leader established a monolithic materials supply system that evolves under the state's unified guidance. Along with this, he formulated in detail plans for the material supply and, for its realization, correctly assigned the indices of material plan to the ministries and committees of the Administration Council—including the State Planning Committee and the Materials Supply Committee—the planning committees of the provinces, and other complexes. Also, he properly established a work system to perfectly supply all materials for production in conformity with plans and enhanced the function and role of the materials supply agencies.

He pointed out: The great leader clearly elucidated the direction and method for the proper utilization of commercial (? conditions) in materials supply while scientifically explaining the theoretical and practical problems arising in the production of the means of production and distribution in the socialist society.

He said: In his many works, including his work "On Several Theories and Problems in the Socialist Economy," the respected and beloved leader has presented creative theories on the means of production in the form of commodity and on the application of the law of value in form. As a result, he forged a way to scientifically and reasonably manage and operate the socialist economy and to constantly improve the materials supply work.

He stressed: Truly, the respected and beloved leader gave a fully scientific solution to all theoretical and practical problems in the socialist materials supply work with his outstanding ideological and theoretical activities and his energetic leadership. Also, he wisely led a struggle to improve the materials supply work and greatly contributed to the vigorous acceleration of the socialist economic construction.

He said the *chuche* socialist materials supply theory created by the great leader Comrade Kim Il-song had been brilliantly embodied by the wise leadership of the dear leader Comrade Kim Chong-il, and that as a result its justification and indomitable vitality are being proven more clearly.

Referring to the preferential consideration given by the dear leader Comrade Kim Chong-il to the improvement



of the work of the Materials Supply Committee that organizes, commands, supervises, and controls the overall materials supply work, he said: The dear comrade leader visited the Materials Supply Committee in April 1968 at a time when the struggle to establish a new materials supply system was conducted vigorously and fully solved all problems arising in all fields, ranging from the essence and principle of the socialist materials supply to the mission and role of the Materials Supply Committee, direction and activity of the work of the materials supply agencies, mobilization of reserve materials, and command and control over the consumption of materials. As a result, he created a historic turning point in the struggle to improve the materials supply work in conformity with the demands of the Taean work system.

He said: The dear comrade leader elucidated that with a firm, revolutionary view of a leader, functionaries at materials supply organizations, including the Materials Supply Committee, should plan and coordinate materials supply work based on the principle of subordinating everything to realizing the party's idea and intent, enhance the role of materials supply agencies to thoroughly meet the demand of the Taean work system, and to play the reserve, alternate, and supplementary role by using material reserves.

He continued: The dear comrade leader took remarkable measures to improve materials supply work in accordance with specific realities, where a broad range of complexes organized according to socialist construction is actively pushed ahead and the economic scale is rapidly growing. He personally initiated the struggle for great socialist construction and let building sites be supplied with enough materials. In particular, he has vigorously led all functionaries and working people to accelerate socialist economic construction by using our resources, our technology, and our own strength with the spirit of self-reliance and fortitude and with firmer than ever faith in socialism since international environments for our revolution became very complicated in recent years.

He stressed: The indeed respected and beloved leader Comrade Kim Il-song and the dear comrade leader thoroughly figured out the present and future of socialist construction with their extraordinary wisdom and scientific insight, presented a unique socialist theory and policy on material supply, and have wisely led the struggle to realize it, thus accumulating immortal achievements in implementing the socialist cause.

Regarding results made by the materials supply sector under the wise leadership of the party and the leader, he said: What is important is the fact that ranks of functionaries in this sector have firmly been prepared and the revolutionary trait of thoroughly implementing the party line and policy has been firmly established among them and that they have greatly contributed to implementing party policy on firmly preparing a self-reliant national economy, under which we can live on our own strength

by using our material, fuel, and energy, and on accelerating economic construction.

He also said: Materials supply functionaries have smoothly supplied materials to primary sectors of the people's economy and light industry and agricultural sectors according to the party line and policy on economic construction. They have excellently carried out the material supply work to realize chucheization, modernization, and applying science to the people's economy. In particular, they gave priority to supplying materials for building a great monument, which will glorify revolutionary achievements of the party and the leader forever, through generations, thus actively contributing to building it as a great creation of the Workers Party era.

He stressed: Those results achieved by the materials industry during the past obviously demonstrate the justness and invincible vitality of materials supply system of our own style, and they are a brilliant fruit of the wise leadership of the great leader and the dear comrade leader, who presented the unique socialist theory on material supply and have victoriously led the struggle to embody it.

The speaker then gave the greatest honor and the warmest gratitude, along with unanimous admiration and warm adoration of all people of the country and materials supply functionaries, to Comrade Kim Il-song, great leader of our party and people, who created the Taean work system with his excellent idea and wise leadership, prepared a new materials supply system of our own style, and thus opened a new history of socialist economic management, as well as to dear leader Comrade Kim Chong-il.

He said: Today, the materials supply sector is faced by the honorable and heavy task to highly display the superiority of socialism of our own style by brilliantly realizing our party's strategic intent to remarkably elevate the people's living conditions in a short period by fully mobilizing the people's economic potentials and to make a new upsurge in overall economic construction.

He said that the dear leader Comrade Kim Chong-il noted: We should brilliantly fulfill our militant tasks after overcoming trials and difficulties encountered with firm will and faith in victory of the revolution, filled with optimism, and should make a remarkable advance in strengthening the might of socialism even further.

The speaker said: materials supply functionaries should keep firm will and faith in victory of the revolution in any difficult and complicated environment and should, first of all, prepare themselves to become chuche-type communist revolutionaries, who are boundlessly loyal to the party and the leader, to successfully implement tasks presented in the party Central Committee's congratulatory message.

The speaker said that the party's fate is the fate of the fatherland and nation as well as the fate of socialism. He



said that materials supply functionaries must overcome storms of any kind whatsoever and have a firm faith and will to share their fate with the party so that they can consolidate like bedrock the invincible cohesion and unity of our revolutionary ranks which are single-heartedly united around the party and the leader.

The speaker said that to highly manifest the superiority of socialism of our own style and achieve a new revolutionary upsurge in the socialist economic construction, it is important to improve even more and strengthen the materials supply work in conformity with the demands of the great Taean work system and thoroughly implement the party's policy-oriented demands in supplying materials. He mentioned that the materials supply organizations must supply equipments and materials to the main links of economic construction including the coal, power, and metal industry sectors first so that production can be normalized at a high level. Moreover, he revealed that equipments and materials must be smoothly supplied to the light industrial and agricultural sectors to increase the production of people's consumer goods through epoch-making ways and achieve endless upsurges in the production of agricultural products.

The speaker said that, in accordance with the demand of our party's revolutionary mass line, the economic guidance functionaries and materials supply functionaries must correctly establish detailed plans on materials supply which are in conformity with the revolutionary enthusiasm and creative positiveness of the producer masses, to thoroughly guarantee the scientific accuracy and practicality of the plan, decisively enhance the role of the materials supply agencies, and strongly establish rules on supplying materials in accordance with plans and contracts.

The speaker said that the basis for the materials supply work is for the upper echelon to be responsible for transferring the materials to the lower echelon. He emphasized that the materials supply agencies must supply materials to the plants and enterprises with responsibility through spot goods, and the plants and enterprises must transport materials to the working sites and to the place where the machines are located so that the functionaries and producers can whole-heartedly concentrate on production.

The speaker emphasized that the materials supply functionaries must strengthen the supervision and control work on supplying materials and consumption, and go deeply into the masses in accordance with the demand of the Chongsan-ri spirit and Chongsan-ri method to put priority in the political work and the work with the people so that the work to mobilize inner reserves in all units can be carried out. He also said that they must have an attitude of a master regarding the nation's economy and carry out the work to store and manage materials well. In addition he stressed that even one drop of fuel, one handful of coal, one watt of electricity, and one piece of steel must be utilized to the utmost without any carelessness.

The speaker said that the Materials Supply Committee must organize and instruct with responsibility the work to mobilize material reserves, and provide more material reserves so that the party's policy of playing the reserve, alternate, and supplementary role can be thoroughly implemented.

The speaker said that what is desperately imminent at this time in improving the materials supply work is to transport raw materials at the appointed time. He continued to talk about endlessly enhancing the flames of the transportation revolution in the railway transportation sector and the land and sea transportation sector with the same spirit of having guaranteed wartime transportation during the war.

The speaker said that the broad revolutionary task we are facing today demands more than ever before to work intensively and militantly with high revolutionary spirit. He said that all materials supply functionaries must highly uphold even more the revolutionary banner of self-reliance and fortitude which was raised at the majestic Mt. Paektu and advance vigorously so that they can honorably fulfill their missions and duties.

He emphasized that the materials supply functionaries in particular must not only enhance their responsibility and role regarding their duties but must also endlessly enhance their political and ideological level and technical and practical qualifications. He also stressed that they must be sincere and hard-working people, honest suppliers, and contribute to the nation's economy who devote everything to implement the party's economic policy through blazing enthusiasm, persistent efforts, integrity that knows no self-interest, and work habit of a master.

The speaker emphasized that the economic guidance functionaries and materials supply functionaries must carry out bold strategies and make skillful instructions in all sectors and units of the socialist construction so that production and construction can be increased with existing materials. Thus, they must carry out the economic organizational work including the materials supply work to all the more safeguard, adhere to, and elucidate socialism of our own style.

The meeting continues.

#### Further on Meeting

*SK2309051793 Pyongyang KCNA in English 0436 GMT 23 Sep 93*

[Text] Pyongyang, September 23 (KCNA)—A national meeting of materials supply workers was held in Pyongyang from September 21 to 22.

The meeting summed up the successes and experiences made in the work of materials supply in the past and discussed tasks facing the domain of materials supply in the efforts to thoroughly implement the revolutionary economic strategy of the party to accelerate the socialist economic construction by mobilizing the country's



potentials to the maximum and markedly improve the people's living standards in a short span of time and to dynamically expedite the grand march of socialist construction in the 1990s.

Kang Song-san, Politburo member of the Central Committee of the Workers' Party of Korea [WPK] and premier of the Administration Council, and other senior party and government officials were present at the meeting.

The WPK Central Committee in a congratulatory message to the meeting highly estimated the labour feats of all the materials supply workers who have brought about constant innovations in production and construction and greatly contributed to increasing the country's economic potential by successfully carrying out their revolutionary tasks with intense loyalty to the party and the leader.

All the materials supply workers must definitely ensure the fast development of the national economy by properly organizing the work of materials supply in compliance with the requirement of the revolutionary economic strategy of our party and thus actively contribute to accelerating the general forward march of our style socialism, the message notes.

The message puts forward tasks of the materials supply domain to thoroughly apply the principle of supplying materials in a planned way under the unified leadership of the state in firm adherence to the taean work system.

At the meeting Kim Tal-hyon, alternate member of the Political Bureau of the C.C. [Central Committee], the WPK and vice-premier of the Administration Council, made a report.

The reporter said materials supply in socialist society is an important administrative organisational work through which the state of the working class distributes production means and grasps and controls their use in order to develop production and carry out the national economic plan.

He said the great leader Comrade Kim Il-song founded the chuche-based theory of socialist materials supply reflecting the desire and demand of the working masses for independence on the basis of the brilliant revolutionary traditions established in the period of the anti-Japanese revolutionary struggle, and established a new system of materials supply of our own style embodying the revolutionary mass line in the course of creating the Taean work system.

The chuche-based theory of materials supply under socialism propounded by the great leader Comrade Kim Il-song has been brilliantly applied under the wise guidance of the dear leader Comrade Kim Chong-il and its justice and invincible vitality have been proved all the more clearly, he stressed.

Kim Tal-hyon referred to tasks to further improve and strengthen the materials supply work in conformity with the demand of the Taean work system.

The report was followed by speeches.

A message of pledge to Comrade Kim Chong-il was adopted at the meeting.

### **Daily: People Trust Chong-il as 'Great Father'**

*SK2309113393 Pyongyang KCNA in English 1024  
GMT 23 Sep 93*

[“Close Bonds of Kinship Between Leader and People Is Source of Invincibility of Korean-Style Socialism”—KCNA headline]

[Text] Pyongyang, September 23 (KCNA)—The close bonds of kinship between the leader and his soldiers, between the leader and the people are being consolidated more firmly in our country with the advance of the revolution, because there are faithful revolutionary soldiers repaying the trust of the leader with their achievements in practice, says NODONG SINMUN in an editorial today.

Noting that the close bonds of kinship between the great leader and the people are a true feature of the Korean society today, the editorial says:

The leader believes in the people, and the people trust and follow the leader. Herein lies the invincibility of our-style socialism and a bright future of the Korean revolution.

The close bonds of kinship between the leader and the people are a fundamental question related to the destiny of the revolution.

Now in our country the entire people are closely united around the party and the leader ideologically and purposefully and in moral obligations. Our society which forms a big family, holding the great leader in high esteem as their father, is a new human society unknown in history.

The revolutionary traits highly displayed among our people today are a noble manifestation of their unquestioned trust of holding the great leader in high esteem as their father and following him.

Many letters and significant reply letters are exchanged between the leader of revolution and the people now in our country. They reflect the most pure and clean minds of our people entrusting their destiny wholly to the dear leader Comrade Kim Chong-il, trusting and following him as their great father, telling him about whatever occurred to them, joy and sorrow.

It is a noble trait of our people who follow the leader, entrusting all their destiny to him, to fight even through thick and thin to realize the far-reaching plan and intention of the party and the leader.



It is an unshakable creed of life of our people to devote all their wisdom and energy to carry the far-reaching plan and intention of the party and the leader into practice.

It is a proud feature of our society today that true comradely relations are brought into full bloom, helping and leading each other forward and sharing bitters and sweets on the basis of the close bonds of kinship between the leader and the people.

Today the consolidation of the close bonds of kinship between the leader and the people is a priceless success in strengthening the might of our singlehearted unity and firmly defending our-style socialism.

It is thanks to the close singlehearted unity of the whole party and the entire people around the dear leader Comrade Kim Chong-il that our-style socialism is now making a long drive without any vacillation in face of the vicious moves of the imperialists.

No matter how desperately the imperialists may try to degenerate the people ideologically, suffocate the economy and put military pressure, they can never destroy our-style socialism advancing, closely rallied around the leader.

#### **Report on 'Increased Production of Electricity'**

*SK2309022293 Pyongyang KCNA in English 2223 GMT 22 Sep 93*

[Text] Pyongyang, September 22 (KCNA)—Working people in the power industrial sector are greeting their holiday (September 24) with an increased production of electricity in the Democratic People's Republic of Korea.

According to data available at the State Power Industry Commission, electrical load rate this month is up 2.3 percent on a daily average from the same period of the previous month.

The Pukchang Thermal Power Complex is producing more electricity than in the same period of the previous month by increasing the load per generator by 1,000 to 1,500 kw, 3,000 kw at the maximum.

The Kanggye Youth Power Station carried out the monthly power production plan at 109.6 percent in August and is these days producing 9,000 to 10,000 more kwh of electricity than the daily quotas this month.

The Changjagang and Hochongang Power Stations keep their generating equipment in full capacity operation and raised the efficiency of water turbines, fulfilling electricity production plan at 120 percent.

Meanwhile, the construction of power stations made rapid progress.

Generator No. 2 of the East Pyongyang Thermal Power Station and the generator No. 1 system project of the Namgang Power Station were completed and their trial operation was made successfully in July. The builders

there now set themselves a goal of starting the production of electricity at an early date and increased the construction speed 1.3 times the plan.

#### **Local Industrial Output Value 'Up 11 Percent'**

*SK2309113193 Pyongyang KCNA in English 1015 GMT 23 Sep 93*

[Text] Pyongyang, September 23 (KCNA)—The production of consumer goods by local industry is on a steady increase at local industrial establishments of the DPRK.

The total local industrial output value last month was up 11 percent from the same period last year.

Cities and counties have created more than 200 hectares of raw materials bases and are supplying necessary raw and other materials to the local industry factories by themselves.

The area of raw materials bases created nationwide this year is 1.5 times that last year.

The local industry factories are increasing production through technical innovations for the further modernization of production processes and active introduction of efficient work methods.

Technical innovations introduced in local industry factories during the first half of this year alone number more than 1,700 items.

#### **KCNA Reports on 'Rich Crops' in Province**

*SK2009152693 Pyongyang KCNA in English 1509 GMT 20 Sep 93*

[Text] Pyongyang, September 20 (KCNA)—Rich crops have visited rural communities of South Pyongan Province situated in the central western part of Korea this year.

According to data available, an increase of respectively more than one ton of paddy rice and maize from each hectare on an average over last year is foreseen in this province.

Many farms look ahead to a harvest of over 9 tons of rice and 10 tons of maize from each hectare.

Some time ago, the great leader President Kim Il-song expressed great satisfaction at the bumper crops that have visited south Pyongan Province this year.

The province is one of the country's major granaries.

The bumper crops of the province are attributable to the effective irrigation system completed already long ago and to the high mechanization level in farming. They could be made also because all farmwork including rice transplanting, weeding and fertilizing have been done on a scientific and technological basis as required by the chuche farming method.



The province has a loop network of irrigation with more than 60 big reservoirs including Yonpung Lake and the Pyongwon reservoir, more than 3,600 pumping stations, over 12,000 various kinds of structures and irrigation channels extending 6,160 kilometres, which ensures safe farming in any drought.

The mechanization level of farming of co-operative farms in the province is very high.

The categories of farm work done by machines have increased to 72, so almost all farmwork from tilling to rice transplanting, weeding, harvesting and threshing benefits by machines.

The number of technicians and experts of cooperative farms has sharply increased.

Big farms in plain areas including the Yongnim co-operative farm in Mundok County, the Yoldusamcholli in Sokchon County and the Pungjong in Chungsan County have more than 250 engineers, specialists and assistant engineers each, and small farms in intermediary and mountainous areas more than 100 technicians and specialists.

#### **KCNA Reports on Corn Harvest in Province**

*SK2309112893 Pyongyang KCNA in English 1005 GMT 23 Sep 93*

[Text] Pyongyang, September 23 (KCNA)—Crops are ruling good in Songchon County of South Pyongan Province, Samchon County of South Hwanghae Province, Taechon County of North Phyongan Province and other counties of intermediary zone as well as plains and mountainous areas of Korea.

19,000 more tons of grain than last year are foreseen in Samchon County this year.

A bumper harvest of maize is expected in Songchon and Taechon Counties. Some 10,000 more tons of maize than last year are expected to be produced in Songchon County. Taechon County foresees more than 10 tons of maize from each hectare in many fields.

### **South Korea**

#### **IAEA Considers North 'Urgent Agenda Item'**

*SK2309103293 Seoul CHUNGANG ILBO in Korean 23 Sep 93 p 2*

[Report by Vienna-based correspondent Pae Myong-pok]

[Text] The International Atomic Energy Agency [IAEA] has decided to discuss the North Korean nuclear issue as an urgent agenda item at its general meeting scheduled for next week. The IAEA made this decision in view of the "important and urgent" development resulting from the North Korean rejection of not only the special

inspection but the normal ad hoc inspection and general inspection [ilban sachal] as well.

The 35 member states of the IAEA Board of Governors on 23 September adopted a resolution requesting Director General Hans Blix to include the North Korean nuclear issue as an urgent agenda item for deliberation at the 37th IAEA general meeting scheduled in Vienna, Austria for 27 September to 1 October. This resolution was made as North Korea failed to reply to the IAEA request for nuclear inspection until the 22 September deadline.

This is the first time the North Korean nuclear issue is put on the official agenda of the general meeting, IAEA's supreme body of resolution. The resolution was jointly proposed by 21 board member states, including the United States, Japan, Russia, France, Germany, and the United Kingdom.

#### **North 'Agrees' to Negotiations With IAEA**

*SK2309103993 Seoul KBS-1 Radio Network in Korean 1020 GMT 23 Sep 93*

[Text] David Kyd, spokesman for the International Atomic Energy Agency [IAEA], said today that the IAEA received a message from North Korea that it agrees to hold a second round of negotiations with the IAEA in Vienna in connection with the nuclear inspection issue.

North Korea said in the message that it would agree to hold the negotiations in Vienna, but did not reveal details, including the schedule of sending a negotiation delegation.

#### **North Defector Arrives Via Third Country**

*SK2309094593 Seoul YONHAP in English 0756 GMT 23 Sep 93*

[Text] Seoul, Sept. 23 (YONHAP)—A 25-year-old North Korean student, who defected to a third country while studying in China, arrived in South Korea aboard a Korean Air (KAL) plane Thursday [23 September].

The North Korean, identified as Yi Chong-chol, told a press conference at the airport that North Korea has been suffering serious food shortages for several years now.

"The situation became so serious in certain areas that food rationing had to be suspended for more than three months," he said.

Although there were raids on food rationing stations, Yi said he had never heard of large-scale food riots.

Yi said he had become skeptical about North Korea when he kept hearing from the Chinese he knew that President Kim Il-song's political system was a dictatorial and backward regime.



He said he decided to defect to South Korea after learning facts about its economic development through various news media.

But he insisted that the motive for his defection was not personal, he simply was disillusioned with North Korea.

Yi studied irrigation from September 1989 through July this year at Hehai University in Nanjing, Southern China, after graduating from Hamhung irrigation and water resources university.

### **Government Pledges Support for Boris Yeltsin**

*SK2309014493 Seoul YONHAP in English 0131 GMT 23 Sep 93*

[Text] Seoul, Sept. 23 (YONHAP)—South Korea pledged its support for Russian President Boris Yeltsin on Thursday, saying it believes that his emergency measures reflect the people's will for continued reform.

"Our government has always supported the ongoing reform policies in Russia. We believe that the Russian reforms for transition to democracy and market economy must not regress," a Foreign Ministry spokesman said in a statement.

"President Yeltsin is a leader elected by popular will and the people's support for his reform policies was confirmed at last April's vote of confidence."

Ministry officials are alert to all developments in Moscow and will soon convene an inter-ministerial meeting to discuss if Seoul needs to take any measures.

There are no changes yet in bilateral conference schedules, including fisheries talks set for next month, officials said.

### **Defense Ministry To Purchase F-16's as Scheduled**

*SK2309062893 Seoul CHUNGANG ILBO in Korean 23 Sep 93 p 2*

[Text] The Ministry of National Defense has informed the United States that the ROK will continue the Korean Fighter Project. On 23 September, it was learned that the F-16 fighter bombers—recently the object of controversy because of the suspicion of misjudgment or fraud involved in the selection of the type of aircraft and because of the U.S. suspension of the production of F-16's—as originally scheduled. A Defense Ministry official said, "Air Force Chief of Staff Cho Kun-hae has informed the relevant U.S. officials of this government policy during his visit to the United States that lasted until 18 September." The Defense Ministry official also said that Chief of Staff Cho Kun-hae, in meeting with the U.S. secretary of the Air Force, discussed with him the working matters connected with the purchase of the F-16's.

### **UN Official From Geneva Arrives for Lecture**

*SK2009104793 Seoul YONHAP in English 0721 GMT 20 Sep 93*

[Text] Seoul, Sept. 20 (YONHAP)—Vladimir Petrovskiy, director-general of the U.N. office at Geneva, arrived in Seoul Saturday [18 September] at the invitation of Pak Su-kil, director of the Foreign Ministry's Institute of Foreign Affairs and National Security.

The Russian diplomat will deliver a lecture on the United Nation's preventive and peaceful diplomacy at the institute Wednesday.

Both a former Russian and former Soviet vice foreign minister, Petrovskiy has worked as deputy U.N. secretary-general for political affairs.

He has authored many books, including "Security in the Nuclear and Outer Space Era."

### **State To Provide Professionals for UN Projects**

*SK2209111193 Seoul THE KOREA HERALD in English 22 Sep 93 p 2*

[Text] The government will soon provide professional manpower to various U.N. projects in developing countries as part of efforts to strengthen its activities at the United Nations, a Foreign Ministry official said yesterday.

He said the ministry is now working for establishing the National Recruit Service (NRS), as it is called by the United Nations, under the Korea Overseas International Cooperation Agency (KOICA), an affiliate of the ministry.

The official said under the new system, those who want to work in U.N. projects can register with KOICA to be in the list of available persons.

The government will send their list to the United Nations to be used in its future projects.

The official said the U.N. Secretariat invites some 1,000 experts from all over the world a year for research and development projects in developing countries.

About 60 countries, most of which are relatively developed nations, are providing their experts to these projects.

The United Nations employs these people on a short-term basis because most of its projects last only a few months or a year at the longest.

The Koreans, once selected for some U.N. projects, therefore, should return home after they completed them.

The official said he does not see much difficulty in recruiting these candidates. He said the KOICA has



already a list of some 500 people who have volunteered to work at these projects. He said many of them are holders of doctorates.

The government also plans to openly recruit more people through newspaper advertisement or other means as soon as it completes necessary preparations.

The official said professionals in such fields as high technology, international economics and regional development may have better chances to work at the world body.

He said some 140 Koreans are employed at the U.N. Secretariat and other U.N. agencies on a permanent basis but no Korean has been engaged in such short-term projects.

### **ROK Becomes Member of OECD Steel Committee**

*SK1909053693 Seoul YONHAP in English 0455 GMT  
19 Sep 93*

[Text] Seoul, Sept. 19 (YONHAP)—South Korea becomes a member of the Steel Committee of the Organization for Economic Construction and Development (OECD) on Monday [20 September], the Foreign Ministry said over the weekend.

For this, a memorandum is exchanged with the OECD at its headquarters in Paris on the day.

South Korea, as an OECD Steel Committee member, will now play an important role in the world steel industry and have easier access to world steel markets.

Ministry officials said the admission to the steel committee would help the country increase cooperative relations with the OECD.

### **Deng Xiaoping's Daughter Tours Chemical Plant**

*SK2309040793 Seoul YONHAP in English 0308 GMT  
23 Sep 93*

[Text] Seoul, Sept. 23 (YONHAP)—Deng Lin, 52, daughter of Chinese leader Deng Xiaoping, visited the research and development [R & D] center and the pharmaceutical factory of Cheil Foods and Chemicals Inc. in Ichon, Kyonggi Province, on Thursday.

She asked company President Kim Chung-sun for Cheil to actively participate in the anti-hepatitis projects the Chinese Government is pushing ahead with on a nationwide scale.

The artist and businessman also exchanged views on establishing joint ventures in foods and medical supplies, technology exports and joint research as well as possible barter of Korean seasonings and Chinese food grains.

Cheil exported 700,000 U.S. dollars worth technology for making seasonings to China in 1987 and contracted 3

million dollars worth of plant exports in April with China to build a wheat flour mill in Yanbian.

Cheil's trade with China was 3.38 million dollars in 1991 and is expected to reach 5.1 million dollars this year.

### **Marketing Team Returns From South America**

*SK1809011793 Seoul SEOUL SINMUN in Korean  
16 Sep 93 p 20*

[Article by Buenos Aires-based correspondent Choe Hong-hun: "The Results of the Visit to Four Countries by Seoul Municipal Medium-size Market Cultivation Team"]

[Text] The Seoul municipal South American market cultivation team (leader: Ok Yu-yong, chief of the commerce and industry section) returned home recently with great achievements attained in market cultivation by visiting Peru, Paraguay, Brazil, and Argentina for two weeks.

The market cultivation team, composed of 10 business firms, held business negotiations with a total of 280 business firms and corporations in these countries and visited various plants. As the result of its activities, the team concluded contracts amounting to \$1.2 million. It also held business negotiations for taking commodities orders amounting to \$12.4 million. Accordingly, contracts have been concluded in succession after the team returned home.

While touring these countries, the team observed that with the inauguration of civilian governments beginning in the nineties, the South American countries recovered political stability and consistently implemented various growth-oriented economic policies. These countries also actively attracted foreign capitals. All this will greatly prompt their economic development. The team came to have an optimistic view that there will be limitless market potentials in this region if the ROK works out the appropriate strategy for market promotion according to the degree of import opening and economic development. Based on this observation, the team has reached a conclusion that now is the best time to advance into the South American markets, perhaps the last huge markets on earth.

This conclusion is based on the team's confirmation that advance into these markets will be almost impossible after the South American common markets are formed and integrated in 1995 with the Andean Common Market (Ancom), which has failed to properly function since its founding in 1969. There is also a speculation that as soon as these two large economic alliances are formed, they will then join the North America Free Trade Agreement [NAFTA] and that this was agreed upon in advance with the United States. Viewing all this, the ROK should not miss the opportunity occurring at this time.



U.S. influence on South America is still absolute. The United States gives various benefits to these countries and extended approximately \$1 billion to the major states of Common Market of the South [Mercosur] and Ancom in the form of assistance and loans. Moreover, the United States wishes to keep them under the NAFTA sphere of influence. When this situation is realized, the whole South and North American continents will be integrated and will form a formidable "American common market."

Fortunately, the four nations—the major states of these two economic alliances which our delegation visited recently—are in need of us and are inviting us by establishing various systems to give investment privileges.

Peru of ANCOM gives the same privileges as that of domestic firms to foreign business firms which procure more than 50 percent of its parts from local market sources after establishing a corporation in Peru. In particular, Peru is planning to form more than 10 free trade zones, similar to Takh [as published] in the border area with Chile.

Peru has unconditionally favored U.S. and Japanese products in the past. However, it recently recognized the excellence of ROK technology. Accordingly, a great sensation favoring the ROK has been touched off there. Therefore, now is even a better opportunity for us. Commodities produced by our small and medium enterprises, samples of which were brought by the delegation, greatly inspired the interest of the Peruvian people.

Paraguay, which is in the less-developed inland, also pays great attention to our country. The Paraguayan people are aware of the ROK's rapid economic development through our compatriots who have emigrated to Paraguay since 1965. They highly assessed the Korean people's diligence and sincerity, and asked us to actively advance into Paraguay. To guarantee Koreans' advance, Paraguay put into effect the Investment Guarantee Law after an agreement was reached between the governments of the two countries on 6 September. In addition, the president of Paraguay personally promised the protection of Korean residents in Paraguay and ROK investment firms to Kim Tok-yong, ROK minister of political affairs, who attended the inauguration ceremony of the president as the special envoy of President Kim Yong-sam.

The Paraguayan Government decided to exempt investing firms from various taxes for five years through a decree of the Ministry of Commerce and Industry and to offer special discounted fares to manufacturing firms for installing electricity and water supply facilities. This is because industrial development is the most urgent task of this nation. The Korean residents in Paraguay advise that manufacturers of shoes, eyeglass frames, and the like, which are fading industries in Korea, should come to Paraguay. They say that if the capital of Korean residents in Paraguay, who are enjoying a rich life above

the level of middle-class, are added to Korean enterprises' facilities and technology and a juridical person is established in that country, we will be able to overcome all barriers. When this is realized, Paraguay will be an advance base for us to advance into South American common markets.

Brazil and Argentina also need us. Mr. Yi Hyong-ho, director of the branch office of the Korea Trade Promotion Corporation in Lima, warned that "South America is greatly interested in us at present. Therefore, if we fail to properly respond now, South America will soon turn its back on us." Mr. Yim Ui-su, director of branch office in Sao Paulo, also stated that "although South America is somewhat unstable, it will be too late for one to try to come after the situation is stabilized. Thus, he asked our government and business firms to make haste.

#### **Government Hints at 'Softening' Financial Reform**

*SK2209053693 Seoul THE KOREA HERALD in English 22 Sep 93 p 8*

[Text] Less than two weeks ago, Chongwadae [presidential offices] made it clear that there would be no more supplementary measures aimed at softening the real-name financial transaction system's blow to the economy.

Last weekend, however, word started to leak from the government and ruling Democratic Liberal Party [DLP] officials hinting at steps to drastically water down the contents of the ongoing financial reform.

The real-name system, which took effect with a presidential edict Aug. 12, is designed to stamp out widespread corruption and bring the huge underground economy to light.

According to the reported supplementary package, the government will not conduct tax probes even when people withdraw more than 30 million won (\$37,080) prior to the Oct. 12 deadline for converting false-name financial accounts into real-name ones, nor will it levy back taxes on small businesses and merchants based on their expanded tax base to be exposed under the new system.

The retreat from the government's original position may be inevitable to speed the money flow which has been paralyzed by people excessively hesitant to withdraw or save money for fear of being traced by tax officials, government officials said.

Persistent rumors about a "financial upheaval" that will take place by simultaneous money redemption by large depositors as soon as the two-month grace period is over Oct. 12 also played a role, they acknowledged. The mass deposit withdrawal would result in temporary defaults at some financial institutions leading to a panic, according to the rumors.

Most officials brush aside such theory as no more than wishful thinking spread by some "big-hands," cash-laden



investors dominating Korea's money markets, to secure more concessions from the government.

Large business groups, for their part, have continued saying that the government should provide safe exits for their huge hidden fortunes, by exempting investigations on funds funneled into sound investments or issuing long-term industrial bonds free from heavy inheritance and gift taxes.

Officials at Chongwadae and economic ministries, however, have repeatedly said they would not allow safe escapes for speculative funds held in "secret accounts," nor will issue any "indulgence" for funds with dubious origin.

Adding to calls for a softening of the reform measures is the ruling party. The governing party's continuous demand for additional supplementary steps are in part motivated by its initial isolation from the drafting stage of the real-name implementation.

Sandwiched between the hawks and doves of the financial reform are ordinary citizens, suffering from unnecessary inconvenience and worry, because of frequent rule changes, analysts said.

The government and ruling party will meet Thursday [23 September] to determine a final supplementary package and the results will be announced at a second joint news conference by Minister of Finance Hong Chae-hyong and Office of National Tax Administration administrator Chu Kyong-sok later.

President Kim Yong-sam in his address on national administration to the National Assembly yesterday, made only two points concerning the real-name system; the system will be implemented in "future-oriented" ways and that real-name accounts' secrets will be kept by all means.

Assistant Minister of Finance Yi Hwan-kyun said in this regard yesterday that the presidential remarks on real-name system should not be translated as meaning that the government will tolerate all past irregularities in amassing fortunes without question but that it will focus on building a sound financial system rather than conducting a witch hunt of unjustifiable riches.

**Kim Yong-sam Not To Replace Decree With Law**  
*SK2209100693 Seoul YONHAP in English 0728 GMT 22 Sep 93*

[Text] Seoul, Sept. 22 (YONHAP)—President Kim Yong-sam ruled out replacing his emergency decree on real-name financial transactions with a law Wednesday [22 September].

"But the government will make the best efforts to relieve the people's feeling of uneasiness about the real-name system and to minimize its possible adverse effects," the CHUNG-ANG DAILY NEWS [CHUNGANG ILBO] reported Kim as saying in an interview.

"If the government made a law to replace the emergency order, the spirit of the real-name system could become obscure and the system could finally go wrong. So without making a law, the government will concentrate on operating the system flexibly."

His remarks hint at the possibility of the government's taking complementary measures instead of replacing the decree with a law.

Since the decree was issued last month, there have been rumors that the National Assembly would pass a law this month replacing it.

The nation must succeed in making the real-name system take root, he said, predicting that it will be a success in the end.

Non-real name funds currently deposited at banks will flow into industry because they are at banks, he said.

He denied the possibility of a cabinet reshuffle in the near future and said that consistency is important for success in his reforms.

About whether he will do something to reorganize the political world for consistent reform, he said that he was not thinking of any artificial party or cabinet reshuffle.

"If there are any differences of opinion within the ruling Democratic Liberal Party, they are trivial differences on methodology, not major ones on basic party lines," he said.

The president also commented on opposition demands for parliamentary investigation of former Presidents No Tae-u and Chon Tu-hwan.

"It is never desirable to investigate former presidents or summon them onto the witness stand," he said.

He was optimistic on inter-Korean relations and unification, and said he expected South and North to be united during his term in office.

"Even if South and North Korea reach the stage of being united, I don't think constitutional revision will be essential. If we must do it, then we will deal with it on the basis of South-North agreement," he said.

He ruled out constitutional revision but his remarks suggest that he has become flexible on the matter.

**Kim Yong-sam Hosts Dinner for DLP Officials**  
*SK2209045993 Seoul YONHAP in English 0328 GMT 22 Sep 93*

[Text] Seoul, Sept. 22 (YONHAP)—President Kim Yong-sam invited ruling Democratic Liberal Party [DLP] Chairman Kim Chong-pil and other senior party post holders to Chongwadae [presidential residence] on Tuesday [21 September] for a dinner featuring eel soup.



Following up the theme of his morning address on the state of the nation at the National Assembly, the president again stressed the need for political reform and revitalization of the economy.

In sharp contrast to the rather cool reception at the National Assembly, Tuesday evening's get together was extremely warm, free and relaxed, according to DLP spokesman Kang Chae-sop.

Lawmakers on both sides of the aisle had been stingy with their applause during President Kim's first address at the National Assembly on Tuesday morning.

Speculation abounded in the political circle Wednesday morning as to why the National Assembly's reception of the president was so unusually cool.

Most of the 299 lawmakers sat straight with tense expressions on their faces throughout the 28-minute televised address, in which Kim urged the nation's unicameral legislature to reform itself.

At Tuesday evening's dinner, however, Kim Chong-pil even took off his suit jacket, called each official by name and asked everyone to express their thoughts in front of the president, who is also head of the party.

For two hours, participants of the meeting freely exchanged views while drinking rice wine.

And the morning after, assessment of the Chongwadae meeting was varied. Some said the flood gate was opened and many felt that they had said what they had wanted to say all along.

Others said Tuesday's meeting was nothing more than a move on the part of Chongwadae to "unwind" the DLP lawmakers who had been tense during the presidential address.

But many analysts predicted that there would be "considerable waves" within the ruling party, judging by the remarks freely tossed around Tuesday evening, only a few hours after the president "lectured" them on the need for reform.

Sources at Chongwadae said that the president's message to the ruling party and the National Assembly in his address could be summarized in two areas: "Political reform and march toward the future through economic revitalization."

The atmosphere got rigid when DLP lawmakers paid attention only to Kim's appeal for political reform, they said. Hence the idea of inviting them to Chongwadae to provide them with a place to relax.

"It appears that participants of Tuesday's get-together got a clear idea now that President Kim's insistence on political reform is not to dwell on the past but rather oriented for the future," one senior DLP official said.

One consensus arrived at Tuesday's meeting was to work together for the nation's economy as it has turned out to be more difficult than was expected, the official said.

Meanwhile, Reps. Yi Sung-yun and Chong Ho-yong apologized to the others for causing trouble for the party with their disclosed personal assets. Then, they urged the party and government to do their best to build up social infrastructure as part of their efforts to revitalize the economy.

Others urged the president and party leaders to introduce supplementary measures to help ease uneasy feelings among ordinary citizens with regard the real-name financial transaction system.

They asked Kim to work harder for the economy, they said.

### Officials Focus on Economy

SK2309045093 Seoul THE KOREA HERALD in English 23 Sep 93 p 2

[Text] Senior lawmakers of the ruling Democratic Liberal Party (DLP) have requested that President Kim Yong-sam turn the focus of policy toward economic revival.

The DLP lawmakers, pointing out that the economic activity and investment have been becoming less active recently, suggested that the President devote his energy to the enhancement of international competitiveness and the revival of the economy.

Their suggestion was construed as asking the President to turn his attention from the ongoing anticorruption and reform drive to economic problems.

The DLP lawmakers made the suggestion to the President, who concurrently heads the ruling party, in a dinner Kim gave Tuesday [21 September] evening at presidential office of Chongwadae.

It was the first time the President heard open advice to slow down the reform and anticorruption drive he has been pushing since his inauguration in late February and put priority on other issues, a DLP official said yesterday.

The senior DLP lawmakers requested President Kim take more steps to activate investment sentiment among businessmen and introduce supplementary measures to reduce unease among citizens with regard to the real-name financial transaction system.

President Kim, following the theme of his morning policy address at the National Assembly, again stressed the need for political reform and revitalization of economy, according to a DLP spokesman who attended the dinner.

In contrast to the rather cool reception at the National Assembly, Tuesday evening's get-together was extremely warm, said DLP spokesman Kang Chae-sop.



Most of the 299 lawmakers sat straight with tense expressions on their faces throughout the 30-minute televised address in the parliament, in which Kim urged the unicameral legislature to reform itself.

At Tuesday evening's dinner, the participants took off their suit jackets and were asked to express their thoughts frankly and freely. For two hours, they exchanged views on state affairs while drinking rice wine.

Some said the flood gate was opened and many commented they were able to say what they wanted to say all along.

Others, however, said the dinner meeting was just a move on the part of Chongwadae to "unwind" the DLP lawmakers, who had been tense during the morning presidential address.

Chongwadae sources said that the President's message to the ruling party and the National Assembly in his address could be grouped into two areas: political reform and march toward the future through economic revitalization.

One consensus arrived at the dinner meeting was to work together to improve the nation's economy as the task has turned out to be more difficult than was expected, said the sources.

#### **Kim Yong-sam Receives Ssangyong Group Chairman**

*SK2209132493 Seoul YONHAP in English 1230 GMT 22 Sep 93*

[Text] Seoul, Sept. 22 (YONHAP)—President Kim Yong-sam met Kim Sok-won, chairman of the Ssangyong Business Group, over a luncheon at Chongwadae [presidential offices] Wednesday [22 September].

During the meeting, President Kim asked the businessman to see to it that major industries cooperate in the early rooting of the real-name financial transactions system as well as in bringing about early economic rejuvenation.

Kim Sok-won vowed to do all he could to energize the economy and expand exports, but expressed the hope that the government will ease various regulations harmful to better competition with foreign industries, Chongwadae spokesman Yi Kyong-chae said.

Meanwhile, President Kim is expected to have a dinner with Rep. Kim Chong-pil, chairman of the ruling Democratic Liberal Party [DLP], and other ruling party legislators at Chongwadae Thursday evening.

A DLP source said that the president is likely to urge DLP solons to get united with one another in promoting political reforms.

"President Kim will especially ask the ruling party lawmakers to spare no efforts in getting various reform bills passed through the current National Assembly session," the source said.

#### **Kim Yong-sam Names Yun Kwan Chief Justice**

*SK2309024393 Seoul YONHAP in English 0128 GMT 23 Sep 93*

[Text] Seoul, Sept. 23 (YONHAP)—President Kim Yong-sam named Yun Kwan, chairman of the National Election Management Committee, the Chief Justice on Thursday [23 September].

Yun, 58, who is also Justice of the Supreme Court, replaces Kim Tok-chu, who had resigned the post in connection with the disclosure of his personal assets.

President Kim will send a proposal for Yun's appointment to the National Assembly Thursday morning for parliamentary approval.

Presidential secretary Yi Kyong-chae said Yun is expected to contribute to national efforts to establish law and order by guarding the Constitution and through correct and conscientious decisions.

Yun has lived a "clean and upright life" throughout his long judicial career, the spokesman said, adding that the new chief justice is enjoying a positive evaluation and high esteem not only from the judicial circle but also ordinary citizens.

Yun, born in Haenam, South Cholla Province, graduated from Yonsei University and immediately began his judicial career.

Yi said Yun had also contributed greatly to reform efforts to settle the nation's election practices through fair management as chairman of the National Election Management Committee.

President Kim told Yun for his intention to appoint him the chief justice Wednesday night over dinner, Yi said.

#### **YONHAP Reports on 1994 Budget Set by Cabinet**

*SK2309041593 Seoul YONHAP in English 0305 GMT 23 Sep 93*

[Text] Seoul, Sept. 23 (YONHAP)—The cabinet set the budget for 1994 at 43.25 trillion won (53.46 billion U.S. dollars) on Thursday [23 September], up 13.7 percent from fiscal 1993, by freezing fixed outlays like personnel expense and defense expenditure as much as possible while expanding social overhead capital and subsidies for small- and medium-sized firms and Science and Technology development.

The budget bill will go to the National Assembly for approval on Sept. 28.

Among its features, the draft subjects each person to average taxation of 1,316,000 won, including local rates,



in 1994, up 14 percent from this year's 1,154,000 won, and is expected to raise the tax burden rate to 20.2 percent from 19.6 percent.

The special accounts for fiscal investment and loan was hiked 54.6 percent to 4,197.1 billion won by drawing in reserves of public deposits such as national pensions.

The combined financial volume of special and general accounts was set at 47.44 trillion won, up 16.4 percent.

While raising public servants' pay 6.2 percent and maintaining the growth of defense spending at 9.6 percent, it increases transportation buildup and general project expenses 27.1 percent and 19.9 percent, respectively, to expand the social overhead capital and boost assistance in small industry and agricultural infrastructure projects.

It starts construction of the Seoul-Pusan high-speed railway next year and finishes building the Seoul-Inchon, Sihung-Ansan and Singal-Wonju highways.

National tax revenue will rise 13 percent to 41.53 trillion won in 1994 and non-tax revenue is predicted to grow 33 percent to 1,712 billion won.

Next year's internal tax is estimated at 35.62 trillion won (up 13 percent) and transportation tax is up 74.3 percent at 3.39 trillion won since the special excise tax on petroleum was changed to earmarked tax, but customs is down 18 percent to 2.87 trillion won.

### **Government Reshuffles 35 Senior Police Officials**

*SK2209132093 Seoul YONHAP in English 1146 GMT  
22 Sep 93*

[Text] Seoul, Sept. 22 (YONHAP)—The government on Wednesday [22 September] afternoon effected a sweeping reshuffle of senior police officers, appointing

Yi Ki-tae, chief intelligence officer of the National Police Administration, as director of the Seoul police.

In the shakeup affecting 34 other officers, Kim Ki-su, director of the Pusan police, was named as deputy director of the National Police Administration; Pak Il-yong, superintendent of Central Police Academy, as maritime police chief; and An Yun-hui, chief public security officer of the National Police, as superintendent of police college.

Song Hae-chun, South Cholla police chief; Yi Hyon-tae, chief of the Kangwon police; and Pak Yang-pae, chief of the Cheju police, were put to a waiting list at the National Police because of their involvement in controversies over their personal assets.

"We have reassigned key police officers in the way that would better ensure the stability of police and that values clean-handed and able officers more than before," Kim Hwa-nam, director of the National Police administration, said.

### **Armed Forces To Promote Fewer Officers**

*SK1909080393 Seoul CHUNGANG ILBO in Korean  
18 Sep 93 p 1*

[Text] It has been learned that the ROK Army, Navy, and Air Force have established a personnel management policy aimed at drastically reducing the number of officers to be promoted to general in as much as 30 percent compared to last year. The Army promoted 47 brigadier generals last year; however, it implemented a policy of promoting only 43 brigadier generals this year. The Army will begin the screening process on 6 October.



## Malaysia

### UK Prime Minister Major Makes Official Visit

#### Attacked for Bosnia Policy

*BK2109164893 Hong Kong AFP in English 1623 GMT 21 Sep 93*

[Text] Kuala Lumpur, Sept 21 (AFP)—British Prime Minister John Major faced a scathing attack from his Malaysian counterpart, Mahathir Mohamad, over London's inaction to end the Bosnian "holocaust" shortly after he arrived here Tuesday for a two-day visit. Britain should change its stance before the situation in Bosnia was forever "cemented in history as the blackest catastrophe of the modern world and a dark page in the annals of Europe and European civilisation," Mahathir said.

"Eloquent speeches, noble declarations and appeals are not enough to end the atrocities without the political will translated into resolute and credible action," he said at a dinner he hosted for his guest at his residence.

But Major, in his return speech, defended London's stand on Bosnia, saying: "If we have not taken any action, perhaps hundreds of thousands of Bosnians alive today would not have been alive if not for the assistance of British troops."

Some 2,500 British troops are serving in the United Nations protection force in the war-torn former Yugoslav republic.

Major, making his first visit to Malaysia since becoming prime minister in November 1990, assured Mahathir that Britain would seek a satisfactory political settlement for Bosnia. Major was also recently criticised by his predecessor Margaret Thatcher for failing to provide proper leadership over Bosnia. Expressing regret that Europe backed down on their threat against the Serbs when they "arrogantly" ignored its warnings, Mahathir said only action by Britain would correct this "loss of credibility."

"You are sending the wrong signals to certain countries east of Yugoslavia, countries with a past history of violent acquisition of other people's territories," he said.

Malaysians, he said, might be once again over-reacting. "But we cannot accept that it is right and just and democratic to sit by and watch while such brutish acts are committed," he said.

Predominantly-Muslim Malaysia, along with other members of the Organisation of Islamic Conference had been vociferously calling for firmer action to end the year-long conflict in the former Yugoslav republic.

Mahathir, in his speech which highlighted the Bosnian conflict more than bilateral relations, appealed to Major to reconsider Britain's opposition to the launching of air strikes against the Serbs before the situation deteriorated further.

Major, however, did not respond to the call for air strikes, saying only that Britain had taken several "practical" steps to alleviate the problems faced by the Bosnians.

Mahathir had emotionally recounted an incident of how a six-year-old child was raped by the Serbs in front of her mother who was barred from helping her until the girl died.

"Our heart cries out to the tragedy of an entire race being wiped out in total disregard for even elementary decency," he said.

"What kind of people are we to accept this kind of behaviour without raising a finger to prevent the recurrence," he asked, noting that such acts were being repeated hundred times over as the Serbs, and now Croats, expand their territories by force.

"I sometimes wonder if I can ever adequately express the extent of Malaysia's anguish and distress at the continued genocide and ethnic cleansing conducted by the Serbs against the Bosnian Muslims," he said.

Malaysia, which had pledged 1,500 troops to join the U.N. protection force in Bosnia, earlier Tuesday dispatched the first batch of 19 soldiers to Sarajevo.

Major, accompanied by wife Norma, Trade Minister Richard Needham and senior corporate leaders, was scheduled to hold talks on Wednesday with Mahathir on bilateral and international issues, officials said.

### Major Reassures Mahathir on GATT

*BK2209065093 Kuala Lumpur BERNAMA in English 0432 GMT 22 Sep 93*

[Text] Kuala Lumpur, Sept. 22 (OANA-BERNAMA)—British Prime Minister John Major has assured his Malaysian counterpart Dr. Mahathir Mohamed that Britain will seek a satisfactory political settlement for Bosnia-Herzegovina.

Describing the situation in the war-torn country as something that has touched the hearts of both Malaysians and Britons, Major said during the last twelve months or so, Britain had taken several practical steps to alleviate the problems faced by the Bosnians. I think it is fair to say that if we have not taken any action during the last a year or so, perhaps hundreds of thousands of Bosnians today would not have been alive if not for the assistance of British troops, he said at a dinner hosted by Dr. Mahathir at Sri Perdana, the prime minister's official residence, here Tuesday night.

Dr. Mahathir, had earlier in his speech, appealed to his British counterpart to reconsider his country's opposition to the launching of air strikes against the Serbs in Bosnia-Herzegovina before the situation deteriorates further. [Words indistinct] that Malaysian troops would serve with the United Nations forces in Bosnia together with the 2,500 British troops.



Major also responded to the statement by Dr. Mahathir on the importance of the early conclusion of the Uruguay round to enable free trade not only for Malaysia, but also for Britain and other trading nations. Dr. Mahathir has said that Britain as a leading member of the EC should try to influence the EC towards a successful and early conclusion of those negotiations before the end of this year. To this, the British premier said we remain in track for a satisfactory outcome to the Uruguay round by Dec. 15 this year.

[Words indistinct] price of success in that round is very great, but it has to be recognised by every participant in the Uruguay round irrespective of from where he comes from that the price of failure in that round would also potentially be very great indeed, he added. He said it was not in the interest of Britain to see the Uruguay round a failure.

I can give you an assurance about the position of the United Kingdom (in the Uruguay round), he told Dr. Mahathir. Major also praised Dr. Mahathir for his far-sighted vision to turn Malaysia into an industrialised nation by the year 2020. He said Malaysia has achieved remarkable achievement in all fields and its economy has attained tremendous growth. Major also said he is happy to note that several Malaysians were studying in Britain. At present, there are about 13,000 Malaysian students studying in the United Kingdom.

On the bilateral relations between both countries, Major said he hoped both he and Dr. Mahathir would work hard to maintain the present cordial and strong relations. It is a tradition that we have to safeguard for our mutual interest, he added.

### **Major Pledges Development Aid**

*BK2209134193 Kuala Lumpur BERNAMA in English 0739 GMT 22 Sep 93*

[Text] Klang, Sept 22 (OANA-BERNAMA)—British Prime Minister John Major Wednesday pledged his country's commitment to assist Malaysia in realising vision 2020 to become a developed nation. He said Britain would provide the expertise such as in the power generation industry to make vision 2020 a reality. Speaking to mark his visit to the Connaught Bridge power station here, Major said Malaysia is fast developing and as such Britain could help through transfer of technology and training of Malaysians in the necessary fields.

Also present were Energy, Telecommunications, and Posts Minister S. Samy Vellu, the National Energy Corporation Executive Chairman Ani Arope, and senior National Energy Corporation officials.

Major, who arrived here Tuesday evening with his wife, Norma, for a two-day official visit, had earlier visited the Perusahaan Otomobil Nasional Company Limited plant, producers of the national car, Proton, in Shah Alam,

near here. Major said he was confident that Malaysia would become an industrialised power by the next century.

He said realising vision 2020 did not only entail increasing power outputs to cater for the many industries investing in Malaysia but also the construction and upgrading of the transportation system, education, and urban development. Our expertise could be used to make all this happen and we will be very happy to share it with the Malaysians, he said.

Major said the involvement of a British company, Rolls-Royce Power Engineering, in upgrading the Connaught Bridge power station, was proof and a symbol of a wider business partnership between both countries. He said there would certainly be more demand for electricity and Rolls-Royce Power Engineering has the necessary expertise to assist Malaysia's power industry.

Earlier, Ani said the combined cycle conversion project in the Connaught Bridge power station undertaken by the British company had resulted in an overall power gain of about 105 megawatt, bringing the total output of power generated by the station to 315 megawatt. Ani said to finance the project, Britain provided 61-million pounds sterling, 35 percent of which was in the form of British Government aid grant. Internal sources provided another 10 million pounds sterling, he said.

Earlier, Major toured the Perusahaan Otomobil Nasional Berhad (Proton) plant in Shah Alam. Since 1987 and up to July this year, Britain has imported 61,581 units of Proton cars, making it the largest foreign buyer of the Malaysian-made car.

### **Visit Called 'Extremely Fruitful'**

*BK2309065093 Kuala Lumpur Voice of Malaysia in English 0600 GMT 23 Sep 93*

[Text] British Prime Minister John Major, who concluded his two-day visit to Malaysia last night, described it as extremely fruitful. According to him, representatives of British companies accompanying him have secured contracts worth hundreds of millions of pounds with another 1 billion pounds of business still undergoing negotiations. Mr. Major told a news conference that his advice is to focus on the Asia-Pacific region to further expand the British trade. He acknowledged that the area is the fastest-growing region in the world and Malaysia being in the forefront will be used as an important base for Britain to expand its trade with other countries in the region.

On the Bosnian issue, Mr. Major was adamant that it should be settled through peaceful means. He welcomed Malaysia's plan to send troops to Bosnia to join the peacekeeping force. In his meeting with Malaysian Defense Minister Datuk Sri Najib Tun Razak, Mr. Major assured Malaysia that his country would provide assistance, particularly in the area of logistical support to Malaysian troops serving under the United Nations in



Bosnia-Herzegovina. He pointed out Britain's offer of its military vehicles to the Malaysian task force in the war-torn republic reflected the close relations between the two countries.

### **Minister Expresses Concern Over Crisis in Russia**

*BK2309074293 Kuala Lumpur BERNAMA in English  
0712 GMT 23 Sep 93*

[Text] Kuala Lumpur, Sept 23 (OANA/BERNAMA)—Malaysia is concerned with the current crisis in Russia as it could have an adverse effect on President Boris Yeltsin's effort to bring the country to the road of democracy. Foreign Minister Abdullah Ahmad Badawi said Wednesday. He said Malaysia had always supported Yeltsin as the leader of Russia. We have always wanted him to succeed and we are sad that he is facing difficulties now, he said, when asked about Malaysia's stand on current developments in Russia.

## **Cambodia**

### **Sihanouk Asks for No Pay; To Return to China**

*BK2209142593 Phnom Penh National Voice of  
Cambodia Radio Network in Cambodian 1300 GMT  
22 Sep 93*

[“Message from His Royal Highness Prince Norodom Sihanouk, head of state of Cambodia, to his beloved compatriots”—read by announcer]

[Text] Dear compatriots: I have the honor to inform you of the following:

1. My competent Chinese doctors have permitted me to come and stay with you for more than three days. For this reason, I feel extremely happy to be able to remain in my venerated motherland and the capital city of Phnom Penh until the morning of 29 September 1993. My arrival in Phnom Penh will be in the afternoon of 23 September.

Yesterday, I underwent another test on my large intestine and prostate gland at the Beijing central hospital. Finally, the Chinese doctors discovered a tumor that needs to be removed by surgery as soon as possible. This tumor is located near my prostate gland, but it is not a tumor of the prostate gland.

When I return from Phnom Penh back to Beijing, I will undergo several other medical tests. My Chinese doctors, who are very meticulous and cautious, do not want to operate on me before they have clearly diagnosed that the tumor is cancerous and have determined its depth and form. Therefore, after I have returned to China from Cambodia, I will spend several days undergoing more medical tests. The Beijing central hospital is endowed with excellent, modern equipment for just these kind of tests. As for the medical team, it includes several professors and doctors who have been giving me treatment.

These professors and doctors come from a number of government hospitals in the PRC.

2. Because of the long treatment that I will have to undergo in Beijing, I will not be able to return to Phnom Penh before the end of October 1993. Consequently, I propose that the Royal Exhibit Festival should instead be held on 9 November 1993, which is also the glorious 40th anniversary of Independence Day. By then I will surely be able to preside over the celebration of our national day in Phnom Penh.

3. I would like to inform all of you that I will serve you and our sacred Cambodia without expecting any reward or money in return from our people and nation for either myself, my family, my entourage, my cabinet, my secretariat, or my civil household.

For many years, the PRC has most generously given me an annual allowance of U.S.\$300,000. For many years also Japan has given me an annual allowance of U.S.\$80,000 to help toward my expenditures in serving Cambodia and the Cambodian people. As for the DPRK, it has constantly supplied me with a special, large plane for my trips between Cambodia, China, and Korea. No conditions have ever been attached to the generous aid from these three great friends. Thanks to these three great friends, I myself, my family, my cabinet, my secretariat, and my civil household do not need any financial remuneration from our state or our government. As a matter of fact, between November 1991 and November 1992, I begged not to receive any financial aid from our state or our government, and this will also apply to the period between November 1993 and the day I die.

It is a great honor for me to serve you and our beloved motherland without reward either for myself or my family, entourage, or colleagues. I have also personally funded all my missions, diplomatic receptions, audiences, official and unofficial dinners, luncheons, breakfasts, and religious, social, and humanitarian donations.

My compatriots are asked to please accept my high regards, loyalty, and affection, and may you enjoy the five Buddhist blessings.

[Dated] Beijing 22 September 1993

[Signed] Norodom Sihanouk

### **Constitution Passed; Copremiers To Attend UN**

*BK2209122293 Phnom Penh AKP in English 1011  
GMT 22 Sep 93*

[Text] Phnom Penh AKP September 22—Cambodia's Constituent Assembly, after spending five days of hot debate, ratified the draft constitution officially transforming itself into National Assembly. The signing ceremony which took place on September 21 marks another significant step of determination by Cambodian political parties to bring peace and stability to their country after decades of conflict.



"This September 21, 1993 remains for the history of Cambodia, as well as for the Khmer people themselves, a great historical day after the adoption by the constituent assembly of the draft constitution," Son Sann, chairman of the Constituent Assembly, said in his speech after the 120 members casted their votes to adopt the final text.

The constitution was passed by 113 votes in favour—a number exceeding two-thirds majority provided in the secret vote provision—with five votes against and two abstentions.

"I am very satisfied with this overwhelming, massive vote for the adoption of the constitution. It's better than unanimous vote. The five against and two abstentions indicate that Cambodia is a very liberal democratic country," Prince Norodom Ranariddh, the would-be first co-premier, said.

"The result lays a new foundation that we, Khmer, will be able to construct a Cambodia prosperous as in the ancient era," he added.

As the Assembly's members applauded in approval to the constitution after Son Sann signed the text, he however, mentioned that the constitution still needed to be amended until it can respond to the aspiration of the people.

"I want to affirm our determination to continue our work in the name of the people whom we are the representatives of, by trying to gather all that is good to make laws and by not hesitating to reject what is anti-democratic, not in conformity to the national interests," he said.

"I never cease to repeat that if we are divided, the Khmer people will be weak instead if we are in national unity and concord, we will be strong," he added.

The adoption of the 14-chapter and 139-article document fully endorsed the decision to reinstall the monarchy with Prince Norodom Sihanouk as a tailor-made crowned King after he abdicated the throne in favour of his father in 1955 to expand his political role. The prince will appoint two co-prime ministers—and it has already been defined that prince Ranariddh and Hun Sen are to carry the portfolios—to form the new government.

Prince Ranariddh mentioned that the number of the Cabinet would be cut off to 21 or 21 [as received] when the new government is formed.

He and Hun Sen will attend the General Assembly of the United Nations and the special session of the Security Council on Cambodia at the end of this month, the prince said.

He described the ratification of the constitution as putting the government in much better position to deal with Khmer Rouge.

"The strongest argument to deal with the Khmer Rouge is not defined with weapon. But the strongest document

is the constitution which has just been overwhelmingly adopted by the real representatives of the people and we will use the constitution, legality [as received] against the Khmer Rouge," Ranariddh said.

All the people representatives left the meeting hall to pose for snap shot which was accompanied by the national anthem of the band team, marking the closure of the second session of the Constituent Assembly.

### **Ministry Denies Seeking Thai Help To Attack KR**

*BK2309064093 Hong Kong AFP in English 0625 GMT 23 Sep 93*

[Text] Phnom Penh, 23 Sept (AFP)—The Cambodian Foreign Ministry Thursday denied reports that one of its ministers had written to Thailand seeking co-operation to flush out Khmer Rouge guerrillas along the border between both countries.

"Prince Norodom Sirivut, Cambodian Minister of Foreign Affairs and International Cooperation, has never sent this kind of letter to the Thai Prime Minister," a statement from the ministry said. Government officials, however, said that Prince Norodom Ranariddh went to Bangkok for a one day visit Wednesday to discuss the problem of the radical Khmer Rouge with Thai officials.

Prince Ranariddh is poised to become the new government's first prime minister with former communist Hun Sen as second premier when Prince Norodom Sihanouk promulgates the country's constitution Friday. The prince refused to comment about his talks on his return to the capital from Thailand.

"It's better not to say anything. Sometimes discrete diplomacy is better than to talk to you," the prince told reporters at the airport.

Khmer Rouge leaders have said they want an advisory role in the new government. But the guerrillas have refused to meet the preconditions laid down by Prince Ranariddh and Hun Sen that they first open up the zones under their control and stop all military activity.

"If they really want to join the government why should they attack us? That's the problem," Hun Sen said recently.

### **Khmer Rouge Radio Says Fighting Continuing**

*BK2309024393 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 22 Sep 93*

[Editorial: "In the so-called new phase, what are the new national issues facing our nation and people? What factors should they be based on to solve them? King Norodom Sihanouk and the unification of all national forces should be relied upon"]



[Text] The Vietnamese aggressors, Vietnam's puppets, and allies are now rushing to end, on paper, the old phase and ushering in what they call the new. What are the problems still facing our nation and people?

I. The so-called old phase. This is Vietnam's war of aggression, the Paris agreement in which UNTAC [UN Transitional Authority in Cambodia] is the administrator, and the two-headed government born of the UNTAC election. Everything in this phase has not yet been solved, but has been hastily and grossly brought to an end.

II. The so-called new phase is when the constitution is drafted with a king and a so-called new government. Efforts have been made to legitimize all this.

III. During the so-called new phase, what are the new and major issues facing our nation and people?

The Cambodian nation and people still clearly see that in the old phase, which the above people have made efforts to end on paper, and in the new phase that they are starting, all of the problems remain and have become even more complicated. In other words, the Vietnamese aggressor forces issue has not been resolved, the Paris agreement to solve the Cambodian problem not been implemented, and the two-headed government transition period not solved anything.

In fact:

1. Old Vietnamese forces are still everywhere. They are still in control and are pulling the strings from top to bottom in military and civilian affairs. This is particularly so in Vietnam's army where these forces still run the general staff office, the puppets' military regions, divisions, and down to even making battle plans, and so on.

2. Vietnamese nationals continue to flow ceaselessly into Cambodia. Before UNTAC's arrival in Cambodia, Vietnamese flowed into Cambodia but with some limits. When Akashi and UNTAC came, new Vietnamese forces flowed into Cambodia in even greater numbers because Akashi and UNTAC adopted laws to protect the Vietnamese and to help them have rights to settle in Cambodia.

3. After the establishment of the two-headed government, new Vietnamese forces flowed into Cambodia at an even faster rate because the two-headed government is 99 percent an administration of Vietnam's puppets. This being the case, the Vietnamese influx continues uncontrolled.

4. Between 1979 and 1991, Vietnam and its puppets signed many agreements and treaties. For example, the treaty on Cambodia's eastern border through which Vietnam annexed a large chunk of Cambodian territory; the treaty on Cambodia's continental shelf and maritime border, through which Vietnam annexed almost the whole lot; and the treaty allowing free movement between Vietnam and Cambodia, which is in fact a demolition of the border.

These agreements and treaties were all prepared by Vietnam, with Vietnam's puppets just signing them. Up to now, these agreements and treaties are still in force because 99 percent of the two-headed government is Vietnam's puppet state authority, with the other sides making up only one percent.

Metaphorically speaking, Vietnamese ants have surrounded a baby grasshopper. Vietnam's puppets are selling and betraying the nation. They have allowed the old Vietnamese to commit aggression and annex Cambodian territory at will. They have allowed more than three million new Vietnamese to flow into Cambodia and issued nearly two million Cambodian identity cards to them. They have also allowed Vietnam to annex Cambodia's eastern territory and the sea. Old and new Vietnamese have been allowed to fully plunder the property of the Cambodian nation and people causing the latter to suffer hardship for over 14 years. This is unprecedented in Cambodia's history.

5. The national economy is non-existent.

6. The living standards of the people are at rock bottom.

7. The people have lost their land because of Vietnam's puppet state authority and old and new Vietnamese.

8. State land and state buildings have been sold by Vietnam's puppets.

9. Vietnam's puppets are corrupt to the bone.

10. Theft and armed robbery by the puppet state authority and old and new Vietnamese are rampant.

11. AIDS is spreading in Cambodian society, particularly in Phnom Penh, because of UNTAC and the Vietnamese whores.

IV. Now they are declaring the old phase closed and the new phase open. What about national issues? Have national problems in the old phase been solved? Or do they still exist?

All the old problems remain. They have become even more complicated without any hope of resolution, if there is no help from new factors or new forces, namely king Norodom Sihanouk and all national forces. The issues of national reconciliation and peace in particular cannot be solved by this new phase because Vietnam's puppets are in control of the military and civilian state authority from top to bottom.

This being the situation, the Vietnamese aggressors continue to occupy Cambodia through their puppets who have military forces, power in the government, and networks of all types of Vietnamese forces everywhere. This is why the Vietnamese aggressors, Vietnam's puppets, and allies have successively opposed the national reconciliation plan of Prince Norodom Sihanouk, head of state. They have opposed the convening of a round-table meeting and the unification of national forces. The goal of Vietnam, its puppets, and allies, is to leave



Vietnam's puppets with a monopoly of power and to push other parties into the puppet regime Vietnam set up since 1979 to cover up and legitimize its aggression.

This is as clear as daylight to the Cambodian nation and people. It is a danger to the survival of the Cambodian nation and people and each Cambodian family. All this is within the framework of Vietnam's military aggression and occupation of Cambodia and the expansionism and race extermination by over three million Vietnamese.

This is still the basic and most important issue. Everyone is aware of and realizes this concrete issue. It stirs up the entire Cambodians nation in and outside the country. It has also attracted the attention of peace- and justice-loving countries the world over that are constantly concerned about peace and security in Cambodia and in the region.

This is the irrefutable truth no matter how the Vietnamese aggressors, Vietnam's puppets, and allies inside and outside UNTAC are trying to legitimize the issue through a new constitution and a new government. The truth is the truth. Vietnam's war of aggression continues to rage. There is no national reconciliation and no peace in Cambodia. This will certainly spread to neighboring countries.

Who is responsible for this situation? Recent history and facts have clearly shown that the main players fueling the war in Cambodia are:

1. The Vietnamese aggressors with Vietnam's puppets acting as instruments, a cover, and smokescreen.
2. UNTAC and allies who have torn up and trampled on the Paris agreement in Cambodia. With a strategy and tactic, they have proceeded to namely maintain Vietnamese aggressor forces in Cambodia to prop up Vietnam's puppet regime, to discard the Party of Democratic Kampuchea, and to push those who have no forces under the label of Vietnam's puppets.

This is an issue vital to the Cambodian nation, people, and race because it is already moving toward a second Kampuchea Kraom [Kampuchea Kraom was part of Cambodian territory annexed by Vietnam a couple of centuries ago]. How should this situation be resolved? People should realize and solve this very big question. Cambodians should do while preventing foreigners from meddling in its internal affairs. Most importantly, Cambodians should strive to solve this themselves.

The most effective solution is to rely on king Norodom Sihanouk and firmly stand by the unification of all national forces. Only these two factors or powerful forces can solve all national problems successively. Good foreigners are only waiting to assist our nation and people as long as we have a king and a powerful national force who dare to decide our own destiny.

## Indonesia

### Remarks by Swedish MP's on East Timor Deplored

*BK2309012293 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 22 Sep 93*

[Text] Indonesia has deplored the action of four Swedish MPs in misusing their visit to East Timor by presumptively criticizing the situation in the province. Wiryono Sastrohandoyo, director general for political affairs of the Department of Foreign Affairs, said in Jakarta today that they did not act as guests of Indonesia by fairly and objectively assessing the situation in East Timor. Instead, they acted as inspectors. Not only did the Swedish parliamentary delegation simply want to know about the situation in East Timor, but they also intended to relay such information to their anti-Indonesian counterparts in Portugal. Such an attitude will not be conducive to the settlement of the East Timor issue.

### Minister Rules Out Quick Recognition of Israel

*BK1909070893 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 19 Sep 93*

[Text] Indonesia will not recognize Israel before that country settles its disputes with the Arab countries, and also because it believes that the implementation of the Israel-PLO peace accord will still confront obstacles. Foreign Minister Ali Alatas said this to reporters after he attended the third round of tripartite talks on the East Timor issue attended by Indonesia, Portugal, and the UN secretary general in New York. Minister Alatas said that talk of recognizing Israel would be premature. Indonesia must continue to monitor political developments in the Middle East in the wake of the signing of the Israel-PLO peace accord.

### Official on Army Role in Labor Disputes

*BK2309012693 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 22 Sep 93*

[Text] R.K. Sembiring Meliana, vice chairman of the Indonesian Armed Forces' parliamentary faction, says the Armed Forces has never interfered in labor disputes which take place in companies, but the Armed Forces is willing to help through an arbitration committee. Sembiring Meliana said this to reporters in Jakarta today in response to the U.S. assumption that the Armed Forces has interfered in labor disputes. Sembiring Meliana, a member of parliament's commission II, said such U.S. assumptions must be corrected because they are erroneous. Speaking on the visit to Indonesia by the American GSP [Generalized System of Preferences] team, he called on all agencies to behave in a normal way in explaining labor conditions in Indonesia.



### **Government Releases 3 Political Detainees 31 Aug**

*BK2009144793 Jakarta TEMPO in Indonesian 4 Sep 93 pp 14, 16*

[Summary] Following a decree issued by the minister of justice, three convicts who had been jailed for nine years for their involvement in the Tanjung Priuk riots and the bombing of the Bank Central Asia building in 1984, were conditionally released from Jakarta's Cipinang Prison on 31 August. The three are Abdul Qadir Jaelani, a 55-year-old former mosque preacher who had often criticized the government before his arrest; Tasrif Tuasikal, a 57-year-old religious teacher; and Eddy Ramli, aged 52. The release of these political detainees was welcomed by their family members and the public in general, but observers were still undecided as to whether it was a sign of new openness on the part of the government or whether the release was prompted by pressures to improve the human rights situation in the country.

### **UNHCR To Repatriate Vietnamese Refugees**

*BK2109063093 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 21 Sep 93*

[Text] As many as 8,726 Vietnamese refugees in Indonesia will be repatriated because they have failed to fit into the criteria as refugees. A Department of Foreign Affairs press release in Jakarta said they would be repatriated with the assistance of the international community through the United Nations High Commissioner for Refugees [UNHCR]. A total of 144,000 Vietnamese refugees have been on Galang Island, Indonesia since 1975. Of this, 129,000 have been resettled in third countries and 3,767 have returned home under the voluntary repatriation program.

## **Vietnam**

### **Russian Embassy Issues Statement on MIA Document**

*BK2209123293 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 22 Sep 93*

[Text] Sources from the embassy of the Russian Federation in Hanoi report that during a situation briefing at the Russian Federation Foreign Ministry on 17 September, a representative of the Russian Foreign Minister said:

We would like to further discuss a subject that has attracted the attention of the mass media from many countries, that is, the so-called new Russian document concerning the number of U.S. servicemen missing during the Vietnam war. We have not produced any evidence permitting the confirmation of the accuracy of those facts presented in this document, for instance, the figure of U.S. pilots held captive as prisoners of war in Vietnam during the 1970's.

It should be noted that those official statistics produced by the Vietnamese and U.S. sides are far different from the figures described in this document. Our view is that this has created a regrettable situation, that is, the existence of that highly unreliable information [thoong tin raats khoong tin caayj dqos] has taken place at a time when the process of improving Vietnamese- U.S. relations is drawing to a close.

We hope that continuing cooperation between the United States and Vietnam in clarifying the fate of the missing Americans will contribute to promptly normalizing their bilateral relations.

### **Army Paper Comments on Document**

*BK2309072993 Hanoi VNA in English 0714 GMT 23 Sep 93*

[Text] Hanoi VNA Sept. 23—'Any sober-minded Vietnamese can easily see the stupidity of such a concoction', says the army daily QUAN DOI NHAN DAN in its Sunday edition on Sept. 19 in connection with the so-called 'Russian Document No. 38906' dated December 1, 1972. The document is translated from an alleged Vietnamese document titled 'Report of Khoang Anya, secretary of the Central Committee of the Vietnam Labour Party at the 10th plenum of the party Central Committee in late December, 1970 and early 1971'. According to THE WASHINGTON POST, Pentagon officials described it as an 'authentic Russian intelligence report' but 'the figures are not accurate'.

QUAN DOI NHAN DAN said: 'Apart from the clumsy and mongrel Vietnamese recognizable by any Vietnamese of some education, its fakery is glaring because even a Vietnamese pupil knows that the Socialist Republic of Vietnam did not exist in December 1970 and early 1971 but came into being only in June 24, 1976 together with a new constitution adopted by the National Assembly'. As for the personage by the name of Khoang Anya mentioned in the Russian intelligence document, he can be only a product of the Russian intelligence service because even an ordinary Vietnamese could have not made such a gross mistake, let alone a 'secretary of the communist party'. QUAN DOI NHAN DAN goes on:

'Conscience is a real thing, not a product of imagination. The author of the 'Russian document' may sell what he deems profitable but not his conscience. To the officials of the Pentagon and of the Senate Foreign Relations Committee, may we offer this advice: Don't spend money on such counterfeits, still less base their foreign policy on such pieces of information.'

### **Media Comment on Visit by Indian Vice President**

#### **Newspapers Preview Visit**

*BK2209063993 Hanoi VNA in English 0608 GMT 22 Sep 93*

[Text] Hanoi VNA Sept. 22—Indian Vice-president K.R. Narayanan is scheduled to arrive in Hanoi this



afternoon for a week-long official visit as guest of Vice-president Nguyen Thi Binh.

Major newspapers here today frontpage the Indian leader's portrait and biography. The national daily NHAN DAN also carries an article highlighting the great achievements recorded by the Indian people in their economic reform. On the Vietnam-India relations, the paper praises India as a time-honoured close friend of Vietnam. Their fine traditional relations have been constantly consolidated and developed with numerous agreements on economic, cultural, scientific-technical and commercial cooperation between the two countries. The paper notes that the two sides have achieved encouraging results in cooperation in the fields of agriculture, livestock breeding, oil and gas prospection, trade, credit, transfer of technology and personnel training.

Vietnam's current renovation process and India's economic reform have created favorable conditions for the promotion of their bilateral relations, the paper concluded.

#### **Radio Discusses Relations, Trade**

*BK2209142393 Hanoi Voice of Vietnam in English 1000 GMT 22 Sep 93*

[Station commentary]

[Text] The traditional friendly relations between Vietnam and India existed a long time ago. Despite geographical distance, Vietnam and India share many similarities and have had cultural exchanges for many centuries. These relations have been seasoned by the time and profoundly developed. Over the last few years, regular visits by leaders of the two countries have upgraded these relations.

Indian prime ministers have stressed that India and Vietnam have enjoyed long-term relations on the basis of mutual friendship, understanding, and cooperation for mutual benefit. India will continue its efforts to diversify and further strengthen these relations in the coming period.

Realities show that recently, besides good political relations, bilateral relations in fields of agricultural production, animal husbandry, communications and transport, science, and technology have developed finely, bringing substantial results.

In the present situation, Vietnam and India maintain that it is necessary to continue to renovate the mechanism and mode of cooperation to responsively meet the requirements of the renovation process of each country. Worthy of note is that India expressed its readiness to share with Vietnam any humble success obtained in this development process.

Vietnam has cooperated with India in field of oil and gas. India has trained Vietnamese personnel in the field of water resources, atomic industry, and agriculture. In

addition to intergovernmental cooperation, the cooperation between companies and businessmen have been strengthened. Trade turnover between the two countries reached more than U.S.\$100 million in 1991-1992. This figure is predicted to increase this year considerably.

The Vietnamese people wish this official friendly visit to Vietnam by Indian Vice President Narayanan the finest success, which will contribute to promoting the existing fine relations between the two countries.

#### **Indian Vice President Arrives in Hanoi 22 Sep**

*BK2209143993 Hanoi VNA in English 1413 GMT 22 Sep 93*

[Text] Hanoi VNA September 22—A red-carpet welcome was given to Indian Vice-president K.R. Narayanan and his wife who arrived here this afternoon for a week-long official friendship visit to Vietnam. Prominent at the welcome ceremony held at the presidential palace were Vice-chairman of the National Assembly Phung Van Tuu, Foreign Minister Nguyen Manh Cam, Mayor of Hanoi Le At Hoi and Indian Ambassador S.L. Malik. Speaking at the ceremony, Vice-president Nguyen Thi Binh described the visit as a good opportunity to closely strengthen the traditional fine friendship between the two countries. This evening, Vice-president Binh gave a banquet in honour of the Indian leader and his party who later enjoyed an art performance.

#### **Talks With Nyugen Thi Binh**

*BK2309004693 Delhi All India Radio Network in English 1530 GMT 22 Sep 93*

[Text] India and Vietnam have expressed their desire to forge greater economic cooperation. Speaking at the banquet hosted by his counterpart at Hanoi, the vice president, Mr. K.R. Narayanan, said that the two countries can stand by each other in economic reforms as they did politically during difficult times.

Our Southeast Asia correspondent reports that Mr. Narayanan described Vietnam's close interaction with ASEAN [Association of Southeast Asian Nations] as a contributing factor to peace and stability in Southeast Asia.

The vice president of Vietnam, Madam Nguyen Thi Binh, said that Vietnam people will never forget India's assistance in rebuilding their country. Mr. Narayanan is on a week's visit to Vietnam. After his arrival at Hanoi, he had an informal chat with his counterpart.

Vietnam is seeking Indian investment along with technology. Mr. Doan Quoc Thong, the vice president of the Vietnam Chamber of Commerce and Industry, told our Southeast Asia correspondent in Hanoi today that economic reforms now under way in both countries offer good opportunities to step up economic cooperation. He said that there are opportunities for many Indo-Vietnamese joint ventures if India is willing to invest capital along with supply of machinery and technology.



**'Dynamic' 48th UN Conference Outlined**

*BK2209091793 Hanoi Voice of Vietnam in English  
1000 GMT 21 Sep 93*

[Station commentary]

[Text] The 48th conference of the United Nations General Assembly opened in New York on Monday. Here is our radio editor's opinion.

This United Nations conference takes place after two years of no Cold War, with no new world order has taken place, and after many new disputes have occurred, while other older disputes of decades remain unsettled. Meanwhile, unequal economic, social, scientific, and technical developments have created a big gap between developed and developing countries, despite each country, each region in the world is advocating economic development. To achieve this goal, it needs a genuine environment of peace, stability, cooperation, and development.

Over the past two years, the United Nations has displayed a great role in preserving peace, security, cooperative development in the world. Public opinion affirms that the United Nations, the biggest and most powerful organization, has conducted more dynamic activities on a larger scale. Although there were some shortcomings and limitations, UN peacekeeping activities in Cambodia have contributed to build peace and national reconciliation to that country. However, the UN is also required to be more democratic and concentrate on helping developing and poor countries to develop socio-economically, in addition to preserving world peace and security.

The 48th UN conference will last until December this year. Discussions will focus on more than 150 issues, relating to the destiny of the world, including the reform of UN mechanism and its financial issue.

The Vietnamese delegation led by Vice Premier Phan Van Khai will contribute its voice to general development in the world. These are peace, stability, and cooperation in the principle of respecting independence, sovereignty, noninterference in each other's internal affairs, settling all disputes by peaceful means, and not resorting to arms or threatening to use arms in international relations.

**'New Page' in Relations With Japan Viewed**

*BK2209093593 Hanoi Voice of Vietnam in English  
1000 GMT 21 Sep 93*

[Station commentary]

[Text] Twenty years ago, Vietnam and Japan established diplomatic relations. Since then, bilateral relations have continued to develop, especially over the last few years. Here is our radio editor's summary.

Relations between Vietnam and Japan have seen many changes for the better. This particularly happened after

the signing up of the Paris agreement on Vietnam, when ties between Vietnam and many countries including Japan were further promoted. Japan considered aid resumption for Vietnam, a main part of its policy in Asia for achieving peace in Cambodia. A visit to Japan by Prime Minister Vo Van Kiet last March opened a new page in relations between the two countries.

In a recent interview with the Army newspaper NHAN DAN [as heard], Japanese Ambassador to Vietnam Mr. Hiroyuki stressed that the Japanese Government fully supports Vietnam's renovation policy and highly values its effort in implementing that policy. Japan supports Vietnam to become a country with an important political and economic role in the region. The Japanese ambassador said Japan's overseas development aids were in three forms: loans, nonrefundable aid, and technical assistance. The loans will be focused on infrastructure projects with priority given to energy, power, communications and transport, and post and telecommunications. Nonrefundable aid will be concentrated in health care, education, water supply, and power station. Japan will help Vietnam in personnel training, sending experts to Vietnam to help manage the market economy and complete legal documents. In September, Japan said it was considering granting Vietnam a \$400-million credit to implement the above mentioned projects. It is expected cooperative relations between Vietnam and Japan will further develop.

**Joint Economic Commission With ROK Meets**

*BK2209144793 Hanoi VNA in English 1419 GMT  
22 Sep 93*

[Text] Hanoi VNA Sept. 22—The joint economic commission between Vietnam and the Republic of Korea met here in the first session from Sept. 20-22. The Vietnamese delegation at the session was led by Vu Khoan, deputy foreign minister and chairman of the Vietnamese section of the commission, and the South Korean delegation by Sun Joun-yung, assistant to foreign minister and chairman of the South Korean section of the commission.

The two sides informed each other of their economic development and expressed their pleasure at the recent, rapid development of the economic, financial, scientific and technical cooperation between Vietnam and South Korea. They discussed how to further expand their cooperation following the agreement reached by the two sides during Prime Minister Vo Van Kiet's visit to South Korea in May in the interests of Vietnam and South Korea, thus contributing to promotion of cooperation in the Asia-Pacific region. The two delegations agreed on several measures to implement various development projects granted by South Korea to help Vietnam increase investment, keep trade balance, carry out cooperation projects in the fields of science, technology, public health, education, labour, telecommunications, construction, development of resources.



The two sides agreed to push up negotiation for an early signing of an agreement on avoidance of double taxation, maritime agreement and tourism agreement. They also discussed a mechanism of activities of the joint commission in order to promote the effectiveness of the Vietnam-South Korea cooperation .

#### **Hanoi Rejects Vatican Appointee Huynh Van Nghi**

*BK2309083193 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 22 Sep 93*

[Text] Mr. Vu Quang, head of the government's Religious Affairs Department, met Bishop Nguyen Minh Nhut, president of the Vietnamese Bishopric Council, Bishops Le Phong Thuan and Huynh Van Nghi, respectively secretary general and deputy secretary general of the Vietnamese Bishopric Council in Ho Chi Minh city on 17 September to discuss a number of issues concerning the bishopric council.

On this occasion, the head of the government's Religious Affairs Department, said the state and the Vatican Holy See had agreed on the nomination of Bishop Huynh Van Nghi as vice archbishop with the right to succeed the current archbishop at the Ho Chi Minh City archbishopric office. But the Vatican recently went against what had been agreed upon by unilaterally nominating Bishop Huynh Van Nghi as general supervisor of the Ho Chi Minh City diocese at a time when Archbishop Nguyen Van Binh is still in power. This is regrettable. The government has informed the Vatican of its intention to continue regarding Archbishop Nguyen Van Binh as head of the church in charge of running all its day-to-day activities. The Vatican should comply with what it was agreed upon with our state.

The bishops in attendance thanked the government for its concern and expressed their approval of the idea of having normal church activities at the Ho Chi Minh city diocese under the supervision of Archbishop Nguyen Van Binh. They have also expressed their hope to see good relations between the state and the Vatican as well as between the state and the church.